







EUROPEAN NEWS

Wading through mountains of Russian red tape

David Satter describes the problems of... EVERY WEEKDAY morning, a crowd of nervous foreigners... 'Call back in two weeks.' Finally demands for action and persistent harassment of the women responsible brought Foreign Ministry approval...

Most foreigners find they can accomplish no more than two tasks involving the bureaucracy in one day.

When I was allocated my apartment in a solidly built block on Moscow's main ring road... Most foreigners find they can accomplish no more than two tasks involving the bureaucracy in one day...

Honecker prepares for Tito talks

BY LESLIE COLTIT BERLIN, Jan. 6. THE EAST-German Communist Party chief and head of state, Erich Honecker, is preparing to meet President Tito this month in Yugoslavia. It will be Honecker's first state visit outside the Warsaw Pact countries...

Norway surprised by EEC fishing ban

OSLO, Jan. 6. THE EEC Commission gave no warning to Norway of its intention to ban third country fishing for North Sea herring in the EEC 20-mile zone which becomes effective on February 1, according to the Deputy Fisheries Minister, Mr. Birger Larsen...

Marchais attack on Russia

PARIS, Jan. 6. FRENCH COMMUNIST Party secretary-general Georges Marchais today condemned the Maoist repression in the Soviet Union and warned he would not bow to any criticism from Moscow. He said at a Press conference he would not 'change a jot' in the French Communist attack on Moscow's deal with China...

APPOINTMENTS

Managing Director Offshore

Founded in 1962, the Comex organisation has become a world leader in sub sea technology and services to the petroleum offshore industry. Comex activities cover the spectrum of underwater operations...

This key appointment should appeal greatly to experienced general managers in the Offshore industry who can demonstrate success in providing a very high quality of service to North Sea oil and gas operators.

(PA Personnel Services Ref. GM3/5833/FT). The identity of candidates will not be revealed to our clients without prior permission given during a confidential discussion.



Group Taxation Management

for a major British international group with a turnover in excess of £1,000 million.

- RESPONSIBILITY will be to the Group Financial Controller for the provision of taxation services, including the management of taxation affairs in the UK, international tax planning and participation in the formulation of financial policy.

TYZACK & PARTNERS LTD

10 HALLAM STREET LONDON W1N 6DJ 12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

STOCK EXCHANGE

authorised clerk with sound business connection required. Good potential. Write Box A.5783, Financial Times, 10, Cannon Street, EC4A 4BY.

UNIVERSITY APPOINTMENTS

THE CITY UNIVERSITY BUSINESS SCHOOL

Lloyds Research Fellow Applications are invited for a Research Fellowship in Insurance, which is sponsored by Lloyds of London... THE CITY UNIVERSITY BUSINESS SCHOOL Lloyds Research Fellow

APPOINTMENTS WANTED

QUALITY EXECUTIVES AVAILABLE

The following is a selection of Executives seeking new appointments. All have been interviewed and psychometrically tested and possess high technical/professional and personal qualities.

MANAGING DIRECTOR

Due to impending retirement FREIGHT EXPRESS-SEACON LIMITED are seeking applications to fill the above position. This is the parent company of a young group with well-established European connections...

The Chairman Freight Express-Seacon Limited The London Steel Terminal Express Wharf, 38 West Ferry Road Milkwall, London E14 3LW

RESTAURANTS

Somewhere Different for Lunch? THE MANCHURIAN - DEDICATED TO YOUR SERVICE. Where to find that important client - a difficult problem. The newly refurbished Manchuian Restaurant is guaranteed to create the right atmosphere...

COMPANY NOTICES

NOTICE TO SHIPPERS AND CONSIGNEES. The North Atlantic Western and South Atlantic United Kingdom Freight Conference, with its following announced memberlines: BALTIK, BALTIC, BRITISH, etc.

INTERNATIONAL APPOINTMENTS

Marketing Executive Germany

We are a major computer leasing company and we wish to recruit a bilingual (English/German) Marketing Executive to be based in our Dusseldorf office. The ideal person would have experience in marketing IBM computers and it is essential that the person recruited is self-motivating...

EUROPEAN OPERATIONS DIRECTOR

An experienced Executive is required to set up and administer a Company in Europe. The objects of the Company would be to market the products of a well-known United States Company and an equally well-known British Company who have worked in co-operation for some 15 years in their respective home markets...

Handwritten signature or note at the bottom of the page.

EUROPEAN NEWS

Soviet moves to raise oil price

By Our Foreign Staff

THE SOVIET Union has taken the first steps towards raising its oil price to levels set by the recent OPEC meeting in Qatar. The Soviet Union is the world's largest oil producer, and it exports some 60m. tons to non-Communist countries annually. Under the terms of a new oil export deal with India, the first major one concluded by the Russians since Qatar, prices of crude oil and petroleum products are to be brought up to world levels. However, it is not clear whether this means a rise of 5 per cent, as approved by Saudi Arabia and the United Arab Emirates, or 10 per cent, demanded by the rest of OPEC.

India is to receive 5.5m. tons over the next four years, beginning with 1m. tons this year. Finland, the largest West European buyer of Soviet oil with some 7m. tons a year, is currently negotiating a new delivery deal which sources in Helsinki expect to be based on higher prices. A rise of 10 per cent has been mentioned. In London, a Soviet oil trade source said last night that exports to the world market were always sold at the going rate. But because of the confusion caused by the two-tier OPEC system, a new price for Soviet oil had not yet been fixed. "We have started our negotiations," he said, "but we are waiting to see what final world price emerges."

Oil revenues represent a vital source of income to the Soviet Union, accounting for up to a third of its hard currency earnings. Moscow was sharply critical of the OPEC decision not to increase prices further, blaming it on the US influence. Saudi Arabians, Tass said, that oil exporters were entitled to receive a price which reflected the drop in purchasing power due to capitalised inflation. Figures of around 50 per cent were mentioned. Because of difficulties in increasing oil production fast enough, the Russians were plainly hoping to raise their revenues through higher price rather than higher volume. The bulk of Soviet oil exports, however—some 70m. tons—goes to East Europe where prices are set under a five-year sliding average. The OPEC rise will not immediately affect these sales, though prices were due to go up anyway as the sliding average moved more high price years. The East Europeans are now estimated to be paying some 42 roubles a ton. This works out at \$60 at the official rate of exchange, compared with the world market price of \$90 to \$95.

EEC price rises

Consumer prices in the EEC are rising fastest in Italy and Ireland, while West Germany retains the best anti-inflation record, according to EEC figures published yesterday. Reuter reports from Brussels. Prices in Italy rose by 21.3 per cent in the 12 months to the end of November. In Ireland, the rise was 20.6 per cent, but was only 3.7 per cent in West Germany. The UK rise was 14.9 per cent.

NEW NORTH SEA MAP

To mark the recent Offshore Exhibition in Birmingham, the Financial Times has produced a new map of the North Sea. It is completely up to date, and includes a full grid system superimposed on the ever-increasing number of oil and gas fields. For your copy of this new map, just send us a cheque for £2.50 inc. V.A.T. (post free). To: Financial Times (NSM) Bracken House, Cannon Street, London EC4P 4BY.

SPAIN SEEKING CLOSER TIES WITH NATO

Pledge to keep forces out of politics

BY ROGER MATTHEWS

A NEW role for the Spanish armed forces designed to integrate the military closely with overall Western defence and prevent it interfering in domestic politics was outlined by Deputy Premier Lt-Gen. Gutierrez Mellado in a major policy speech to-day. Speaking at a reception in the Royal Palace attended by King Juan Carlos, the Government and other military leaders, the General pledged the total loyalty of the armed forces to the King and warned strongly against indiscipline. "We want nothing more than to be good soldiers," he said, "emphasising that officers had to be obeyed as much by senior officers as by ordinary troops."

He also implicitly suggested a smaller, better trained army by promising that the present system of compulsory military service would be re-examined. At the same time, he welcomed the withdrawal of the military from its previous judicial role which meant that civilians charged with certain terrorist offences could be tried by court martial. The whole tenor of the speech gave public weight for the first time since the death of General Franco to the more liberal military theory that in order to guarantee a peaceful transition to a democratic state basic army thinking had to be radically changed.

Clearly, King Juan Carlos and Gen. Gutierrez Mellado are now working towards rapid membership of the North Atlantic Treaty Organisation (Nato), a major re-equipment of the armed forces, and a purely professional type of officer in line with other Western nations. In his reply, the King also referred to the necessity of improving the efficiency of the armed forces and echoed the need to maintain discipline however difficult that might be to preserve in certain circumstances. Prime Minister Adolfo Suarez to-night held talks with West German Chancellor Helmut Schmidt who has been on holiday in the south of Spain. The two men were due to discuss a range of issues including possible

Spanish membership of Nato, the Common Market and the serious difficulties facing the Spanish economy. Sr. Suarez, who is now understood to have been fully alerted to the serious deterioration in the economy, may have also taken the opportunity to sound out his West German counterpart on the possibility of further substantial aid to finance the country's serious balance of payments deficit. One morning newspaper to-day suggested that the wealthy members of the extreme Right may be trying "to desalabilise" the country by forcing down the three stock exchanges. The Madrid exchange index dropped nearly 3 per cent in the first two sessions of the New Year, a fall that would have been far larger had it not been for the inability to strike bargains. Turnover yesterday was extremely small and only one share registered a gain, and that because of rumours of nationalisation.

Albania reaffirms its policy of self-reliance

BY DAVID LASCELLES

ALBANIA'S NEW constitution, which has just come into force, contains unique provisions designed to reinforce the country's independence. It states that the country is "independent, sovereign, and free of external interference." The preamble begins: "The people of Albania have blazed the path of history, sword in hand." It then says that Albania will constantly struggle against imperialism, reaction, and revisionism, in other words, the West and the Soviet Union. China goes unmentioned, though

East European constitutions now proclaim solidarity with the Soviet Union. The tone is set by Article 14, which says: "In the construction of socialism, the People's Republic of Albania relies primarily on its own efforts." This is emphasised by the key Article 25 on foreign trade. This forbids the granting of concessions to, or the creation of joint economic ventures with "capitalist, bourgeois and revisionist monopolies and states," as well as the acceptance of credits from them. In other words, Albania will only trade abroad by means of its own resources. This goes far beyond policy elsewhere in East Europe, where the trend is, if

anything, the other way. China implant the scientific materialist outlook in people. Unlike other Communist constitutions, there is no guarantee of religious freedom. In fact, the preamble states: "The foundations of religious obscurantism have been destroyed." Albania now calls itself the world's first atheist state. Article 31 is perhaps the pithiest: "Citizens pay no levies or taxes whatsoever." Again, this differs from elsewhere in East Europe, where direct and indirect taxes are levied. In all the constitution appears to be thoroughly Albanian in character. It differs in many basic respects from other East European constitutions and owes little to China, which is notoriously vague on the subject.

Revelations in French murder inquiry

By Robert Mauthner

PARIS, Jan. 6. THE INVESTIGATIONS into the Christmas Eve murder of Prince Jean de Broglie, a former Minister and member of President Giscard d'Estaing's Independent Republican Party, have uncovered a hornet's nest of allegedly shady financial transactions, which could prove a serious embarrassment to the Government. The French Press, sceptical from the very beginning about the official version of the killing given by M. Michel Poniatowski, the Interior Minister, at a Press conference only a few days later, has been unusually assiduous in following up the crime. Initial criticism of the Interior Minister, for having named the guilty before anybody had been formally charged was voiced not only by the newspapers but also by the Ministry of Justice and the French Magistrates' Association. This has now given place to the publication of documents which seem to suggest that there is much more to the case than meets the eye. M. Poniatowski claims that the killing was organised by two of M. de Broglie's business associates to avoid repayment of a Fr.4m. loan granted to them by the former Minister for the financing of a Paris restaurant, but with every day that passes this appears increasingly to be a gross oversimplification.

Italian Government on collision course with unions

BY DOMINICK J. COYLE

ROME, Jan. 6. THE ITALIAN Government has on the basis of unchanged policies is expected officially to exceed 20 per cent, and Ministers now say the Government's primary objective is to reduce up its anti-inflation programme this by some 3 per cent, while the Government proposes to also cutting back escalating labour costs by about 6 per cent. The Government wants to change both the basis for the calculation of threshold payments to workers, to effectively ration petrol for week-end use, and also their frequency. The present proposal is to remove from the cost of living basket a number of items over the price of which the administration has little or no control and, in particular, to ensure that steps to charge something like economic rates for a whole range of public services in order to reduce the Treasury deficit—do not result in automatic increases in pay under threshold agreements.

Sig. Andreotti has also proposed that indexation should henceforth operate twice yearly, instead of quarterly as at present, and tentative projections to-day by Confindustria, the national employer organisation, suggests this could reduce labour costs in Italy in the current year by 3.4 per cent. The unions, who have a national conference scheduled for this week-end, say they are prepared in principle to negotiate with the Government on reducing costs to industry. In order to maintain the competitiveness of Italian exports, but they are refusing to do so economics ministers that any significant interference with the present highly inflationary quarterly indexation arrangements for Italian workers would not be tolerated. The Government has not as yet threatened investment in this year, and on to take unilateral action, but union leaders suggested that any such decision would not so unanswered. Speculation here today was that a national strike would be the unions' most likely response to the way, was involved in the crime.

German industrial orders steady, production falls

BY ADRIAN DICKS

NEW ORDERS to West German industry during November increased at the same level as in October, according to provisional figures issued by the Economics Ministry to-day. Meanwhile, industrial production during the month fell slightly. The new orders figures showed a steeper increase in the sector of capital goods than in other sectors, with foreign demand apparently holding up fairly well. Foreign orders for West German capital goods were up by 2 per cent from October, compared with a 0.5 per cent fall in domestic orders to the same industries. More remarkably, however, foreign demand for West German consumer goods fell sharply by 12.5 per cent during November, while domestic demand was down by 1.5 per cent for the same category of products.

BONN, Jan. 6. The Economics Ministry explained part of the 2.5 per cent drop in new orders between August/September and October/November as being due still to the distorting effects of a very large overseas order for electrical generating equipment during the summer, by comparison with which all the subsequent new orders figures have seemed unfavourable. However, new orders in November were 10 per cent up from November 1975 and 9 per cent higher during the two months April/May. Compared with the spring, new capital goods orders alone increased by 19 per cent.

Russian dissidents charged

BY DAVID SATTER

SOVIET authorities have begun criminal proceedings against the single most important dissident group in the Soviet Union: Doctor Yuri Orlov, the leader of the 12-member committee to monitor Soviet observance of the Helsinki agreement, said to-day that investigators from the Moscow Prosecutors Office had told him that the case involved charges of slandering the Soviet system. Dr. Orlov was interrogated for seven hours yesterday after being seized at the street by plainclothes policemen as he was on his way to a news conference to tell correspondents about the apartments of five dissidents, including his own. He said to-day that investigators had told him that he is presently considered a witness in the case. The charge of "spreading deliberate falsification slandering the Soviet system" is the weakest political charge under which dissidents can be prosecuted in the Soviet Union. It carries a penalty of up to three

years imprisonment. However, recent events suggest that more serious charges could be placed later. Christopher Bohinski writes from Warsaw: The Polish Prosecutor General Mr. L. Czubinski yesterday told the Polish Parliamentary Interior Affairs and Justice Committee that complaints that the police had used "impermissible methods" against persons suspected of disturbing the peace in Radom and Ursus last June have been investigated and found to be "harmless." The statement, which was made in the presence of the Parliamentary Marshal Mr. S. Gweta, may indicate an escalation of the campaign against the Warsaw-based Workers Defence Committee (WDC). It also shows that the authorities have decided to close ranks on the issue of alleged police brutality last June and will not be persuaded to set up a special Parliamentary commission of inquiry.

Paying for Electricity and Gas. A Code of Practice.

We in the Gas and Electricity industries have always wanted our customers to enjoy the benefit of regular supplies. So long as those supplies are paid for promptly. Most people do pay their bills on time. But some find paying difficult because of genuine hardship. We want to help and advise people as much as we can. So we have produced a Code of Practice which has been agreed with the Government. The Code explains how we can help all customers who want to budget wisely for their bills. There are pay-as-you-go schemes to suit many different needs.

Payment of Domestic Electricity and Gas bills. A Code of Practice. ISSUED BY THE GAS AND ELECTRICITY SUPPLY INDUSTRIES.

ROME ALTA MODA 18-21 January, 1977. The Italian High Fashion Collections "Spring-Summer 1977". Reserved for Buyers and International Press Participating Fashion Houses: Balestra, Barocco, Bilti, Brioni, Brugnoli, Capucci, Centinaro, Coccoli, Di Lazzaro, Fabiani, Franco, Galitzine, Gregoriana, Lancetti, Lang, Litrico, Mila Schoen, Filippo Nativo Calandra, Andrea Odicini, Ognibene Zandman, Palazzi, Piattelli, Riva, Sarli, Siviglia, Tita, Rossi, Tiziani, Valentino, Wanver, Zingone. Grand Hotel—Sala Borromeo: Accessories Show. Sala Gritti: The Europei Group Leather Goods Selection. CAMERA NAZIONALE DELL'ALTA MODA ITALIANA 3, Piazza Araceli—00186 Rome (Italy)—Tel 8794390-8794591 in collaboration with: CENTRO ROMANO ALTA MODA ITALIANA (Rome)

AMERICAN NEWS

NYC may increase taxes, cut staff as deficit rises

BY STEWART FLEMING NEW YORK, Jan. 6. PROPOSALS to increase further New York City's real estate taxes, and to cut the city's work force by a further 2,000 people, including some 1,500 policemen, are believed to be under consideration by the city administration under Mayor Abraham Beame.

Army 'defrauded in S. Korea'

BY JUREK MARTIN WASHINGTON, Jan. 6. SENATOR William Proxmire alleged today that the U.S. Army still believes it is the victim of fraudulent bidding practices on the part of South Korean interests in the awarding of military contracts.

Special post in Senate for Humphrey

WASHINGTON, Jan. 6. DEMOCRATS in the U.S. Senate have created a special post for Senator Humphrey, who withdrew his challenge for the Senate Democratic leadership yesterday.

SOVIETS ATTACK FORD STATEMENT

MOSCOW, Jan. 6. A LEADING Soviet political commentator today accused President Ford of open interference in the affairs of the incoming Democratic administration of Mr. Jimmy Carter by urging increased defence spending.

Nancy Dunne examines a U.S. Senator's answer to Government waste

A Golden Fleece for squanderers

DURING the past year Britain has had to put up with a swathe of American beakings about its economic policies. The Secretary of the Treasury, William Simon, has been quick to advise reduced Government spending. And when President Ford, in a recent interview, was asked if he had any "grave concerns" on the domestic front, his most serious anxiety appeared to be that the U.S. would go down the "economic path that has brought on the current serious problem that exists in Great Britain."

Argentina cost of living rises 347.5%

BUENOS AIRES, Jan. 6. THE ARGENTINIAN Economy Ministry has reported that the increase in the cost of living last year was 347.5 per cent. This is slightly up from 1976 when the increase was 335 per cent, and may be the highest cost of living increase in the world for 1976.

Tension rises again in Beirut

BY OUR FOREIGN STAFF BEIRUT was reported tense yesterday after right-wing Christian militia men had erected barricades between the eastern sector of the city and the Moslem one.

Syria hangs terrorists

DAMASCUS, Jan. 6. SYRIAN authorities hanged three people today after a state security court found them guilty of committing acts of terrorism, Damascus Radio announced.

Venezuelan imports reach record \$5.9bn.

CARACAS, Jan. 6. PRELIMINARY Government estimates show that Venezuela imported goods valued at some \$5.9bn. last year, 22 per cent up on last year and an all-time record.

Pan Am, TWA accord supported

NEW YORK, Jan. 6. PAN AMERICAN World Airways and TransWorld Airlines will not be forced to dissolve their two-year-old agreement swapping international routes.

Energy czar Frank Zarb won his award to fly round the country urging business and civic groups to conserve fuel.

automobile lifts still have operated. The Navy was a big fiasco winner for using taxpayers' money, and 64 aircraft, to fly 1,334 officers to the Las Vegas Hilton for a reunion of a private association of pilots and former navy pilots.

OVERSEAS NEWS

Hint of rehabilitation for disgraced China moderate

PEKING, Jan. 6. that the situation in China was stable, despite reports in recent weeks, by provincial radio stations referring to violence in 12 of the 29 provinces and municipalities including "all-round civil war" in south-western Szechwan.

Tension rises again in Beirut

BY OUR FOREIGN STAFF BEIRUT was reported tense yesterday after right-wing Christian militia men had erected barricades between the eastern sector of the city and the Moslem one.

Syria hangs terrorists

DAMASCUS, Jan. 6. SYRIAN authorities hanged three people today after a state security court found them guilty of committing acts of terrorism, Damascus Radio announced.

Venezuelan imports reach record \$5.9bn.

CARACAS, Jan. 6. PRELIMINARY Government estimates show that Venezuela imported goods valued at some \$5.9bn. last year, 22 per cent up on last year and an all-time record.

Pan Am, TWA accord supported

NEW YORK, Jan. 6. PAN AMERICAN World Airways and TransWorld Airlines will not be forced to dissolve their two-year-old agreement swapping international routes.

Energy czar Frank Zarb won his award to fly round the country urging business and civic groups to conserve fuel.

automobile lifts still have operated. The Navy was a big fiasco winner for using taxpayers' money, and 64 aircraft, to fly 1,334 officers to the Las Vegas Hilton for a reunion of a private association of pilots and former navy pilots.

Indonesia slows state spending growth

JAKARTA, Jan. 6. THE INDONESIA Budget for the year from April 1, announced by President Suharto today, shows a return to stability following the Pertamina crisis but the slowest growth in expenditure for some years.

Sri Lanka unions head for clash

A dangerous confrontation between the Sri Lanka Government and major trade unions has become almost inevitable since yesterday's decision by striking rail workers to defy a Government ultimatum to return to work.

New worries for Rabin

TEL AVIV, Jan. 6. THE SUICIDE of the Minister of Housing in the Rabin Government, Mr. Abraham Ofer, will not halt police enquiries into corruption allegations, and is likely to haunt the Labour Party for some time.

Hong Kong's economy could grow by a healthy 6 per cent in 1977.

Philip Bowring reports

More promise than problems

POLICE AND crowd barriers had to be brought in to Hong Kong's central business area a few weeks ago to control a somewhat unruly crowd of several hundred people which had built up around an office block.

ON OTHER PAGES International Company News: Five companies... 20/21 Teatronic discussions... 20/21 Farming and Raw Materials... 21 EEC farm policy... 21

WORLD TRADE NEWS

Indonesia slows state spending growth

JAKARTA. Indonesian President Suharto... state spending...

Sri Lanka unions head for clash

COLUMBO. The Sri Lanka Congress of Trade Unions... head for clash...

blems

Construction



U.S. motor companies hold off foreign competitors

BY JAY PALMER. TOTAL UNITED STATES new car sales rose 17 per cent... U.S. motor companies hold off foreign competitors...

U.K. vehicle exports up by 24% in November

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT. AN IMPROVED performance from British car exporters... U.K. vehicle exports up by 24% in November...

Table: VALUE OF MOTOR INDUSTRY EXPORTS AND IMPORTS. Columns: Exports in £m., November 1976, 1975, Change. Rows: Components, parts and accessories; Cars; Goods vehicles up to 3 tons; Other commercial vehicles; Other Motor Products; All Motor Products; Imports in £m. (cif); Cars; Goods vehicles up to 3 tons; Other commercial vehicles; Components, parts and accessories; Other Motor Products; All Motor Products.

Judd warning on aid

BY RUPERT CORNWELL. BRITAIN will have to leave the Third World and concentrate on high technology areas... Judd warning on aid...

Brentnall Beard (Holdings) Limited. Record profits for eighth successive year. Big overseas expansion. Profit & Appropriation Year to September 30 1976. Table with financial data for 1976 and 1975.

Seddon may use DAF outlets

BY TERRY DODSWORTH. SEDDON Atkinson, the British subsidiary of International Harvester... Seddon may use DAF outlets...

Ford claims leadership

FORD of Europe predicted yesterday that the final sales returns for 1976 will show that it has become the top selling car manufacturer in the EEC and EFTA markets... Ford claims leadership...

Hawker wins £6.25m. ME contracts

Contracts to construct several power stations in the Middle East totalling some £6.25m. have been awarded to units of Hawker Siddeley Group... Hawker wins £6.25m. ME contracts...

Dell for Iran

Mr. Edmund Dell, Secretary of State for Trade, is to lead the British delegation to the fifth ministerial commission on trade and economic development to be held in Tehran next week... Dell for Iran...

Cuban reactor

COMECON has announced plans to build an atomic power station in Cuba... Cuban reactor...

Steel cutback

Nippon Kokan Kaisha (NKK) and Nippon Steel said they plan to reduce capital outlay for the fiscal year 1977 as a sharp recovery of steel demand is not expected... Steel cutback...

Parts for Skoda

Skoda, the Czech motor manufacturer, has placed an order worth about £500,000 with Torrington of Coventry for components for the new Skoda... Parts for Skoda...

PERSONAL

Japan and Egypt plan trade pact

BY DOUGLAS RAMSEY. JAPAN and Egypt hope to conclude a treaty at talks later this month in Cairo which would guarantee Japanese investments in Egypt against expropriation or war damage... Japan and Egypt plan trade pact...

Invoicing in foreign currency up

In response to the fluctuations in currency exchange rates, in particular the decline in the sterling exchange rate... Invoicing in foreign currency up...

Lucas optimistic on Soviet engine deal

Lucas Aerospace is still waiting for Government ratification of its planned £10m. engine controls deal with the Soviet Union... Lucas optimistic on Soviet engine deal...

Dutch newsprint mill

A NEW newsprint mill with an annual capacity of about 150,000 tons will be built with Dutch Government participation at Renkum, Gelderland Province... Dutch newsprint mill...

Canada gives details of TV import curbs

THE CANADIAN Government has clarified its announcement of the withdrawal of the British preferential tariff for colour television receivers... Canada gives details of TV import curbs...

£60m. Iraq order

A WEST BERLIN engineering consultant company, Berlio Consult GmbH, has been awarded an Iraqi contract to build turnkey slaughterhouses, meat processing and cold storage plants... £60m. Iraq order...

"With export cover, we sell millions more."



ECGD INSURANCE FOR BRITISH EXPORTERS. Tony Edwards-Jones is Managing Director of C Brandauer & Co. Ltd. For us, quite big money is involved in meeting export orders. Without ECGD cover we'd be looking at the size of our commitment and saying 'My goodness, wait a bit!' It makes all the difference when you know you're insured against not getting paid.

HOME NEWS

Chemical recovery slower than hoped

BY RHYS DAVID, CHEMICALS CORRESPONDENT

THE CHEMICAL industry is recovering more slowly than expected from the recession. Growth in output last year is unlikely to have reached the 10 per cent. rate forecast three months ago.

Swan Hunter wins £16m. order for two roll-on roll-off ships

BY JOHN WYLES, SHIPPING CORRESPONDENT

SWAN HUNTER Group yesterday became the first British shipbuilders to announce new orders in 1977 with the disclosure that Ellerman Lines had ordered two roll-on roll-off ships worth £16.4m.

Powell sets out opposition to Devolution Bill

BY RUPERT CORNWELL, LOBBY STAFF

MR. ENOCH POWELL last night set out the undying opposition of the 10 United Ulster Unionist MPs to the Government's Devolution Bill.

Tory warning on Scottish polling system

BY OUR SCOTTISH CORRESPONDENT

THE GOVERNMENT is likely to be defeated on the question of proportional representation for elections to the Scottish Assembly when the Devolution Bill is debated in the Commons.

SNP willing to alter financial policy

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE SCOTTISH National Party is willing to drop part of its financial policy for an independent Scotland as a result of criticism from Scottish insurance companies.



The first of 75 buses painted silver to commemorate the Queen's silver jubilee starting a tour of London yesterday after being inspected by Lord Penbury, chairman of the Greater London Council.

Fare rise to hit tube travellers hardest

BY IAN HARGREAVES

LONDON UNDERGROUND season ticket holders and those whose tube journeys take them outside the Greater London Council area will suffer most from London Transport fare increases from July 17.

Decision on Mesa oil find imminent

By Ray Dafter, Energy Correspondent

THE MESA Group is expected to decide on a development programme for its oil discovery in the Morsy Firth in the next six weeks.

Rise in machine tool orders remains modest

BY ADRIAN HAMILTON

THE MODERATE improvement in the machine tool industry's order books continued last October, but the overall situation remained far from inspiring.

BBC plans 70-station road report network

BY DAVID ESHLOCK, SCIENCE EDITOR

A £2M. SCHEME to provide motorists with up-to-the-minute news about driving conditions for a few miles around them is being proposed by the BBC.

Paraffin up by 3 1/2 p a gallon to-day

BY RAY DAFTER, ENERGY CORRESPONDENT

THE MAXIMUM price of paraffin is going up by 3 1/2 p a gallon from to-day, pushing the cost of the fuel in some areas to nearly 50p a gallon.

Fight to save 1,000 jobs

BY RAY DAFTER, ENERGY CORRESPONDENT

DEPUTATION from Fife will meet Ministers next week to oppose the threatened closure of the Redpath Dorman Long oil rig construction yard at Methil, where 1,000 jobs are at stake.

CAA meeting to examine European air fares

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

A SUBSTANTIAL number of airlines, travel agents and other interested parties will meet next week with the Civil Aviation Authority to discuss existing levels of European air fares.

EEC company law published

THE COMPLETE text of the second EEC company law directive, adopted by the Council of Ministers in Brussels on December 13, is published in today's Trade and Industry magazine.

Slater claim of £8m. fortune in 28-page court statement

FINANCIAL TIMES REPORTER

CLASHES between counsel for the Singapore Government and defence lawyers led to a vital statement by Mr. Jim Slater at his extradition hearing.

Scottish move to boost engineering

BY RAY PERMAN, SCOTTISH CORRESPONDENT

A CAMPAIGN to increase the volume of business done by engineering component and service companies in Scotland and benefit the economy by contributing to import substitution is to be launched by the Scottish Council (Development and Industry).

Advertisement for Harnischfeger Corporation, featuring financial notes due 1995, a list of international offices (New York, Atlanta, Boston, Chicago, Cleveland, Dallas, Los Angeles, Philadelphia, Pittsburgh, San Francisco, London, Athens, Geneva, Melbourne, Montreal, Tokyo, Zurich), and The First Boston Corporation logo.



machine modes to reach '76 level

By Terry Dodsworth, Motor Industry Correspondent

REPLACEMENT DEMAND for cars bought in the peak years of 1972 and 1973, will probably bring the British industry this year to about the same total as in 1976, according to the latest forecast by the Society of Motor Manufacturers and Traders.

Optimism

The SMMT's qualified optimism about 1977 is mainly based on the fact that motorists will have to renew their cars this year.

Major role sought for airport

BRISTOL AIRPORT is the most suitable in the South West to receive diverted air traffic from London, according to a report published yesterday by the South West Economic Planning Council.

EEC comp law publish

The regional airport development to handle scheduled international services should be concentrated in a few major centres, such as Manchester and Birmingham.

fortune tement

Mr. B. J. S. Aspin has been appointed managing director of ACCLES AND POLLOCK.

Mr. D. H. King has become chairman of the NATIONAL EMPLOYERS MUTUAL GENERAL INSURANCE ASSOCIATION.

Mr. Peter F. Scott has retired as chairman and from the Board of Provincial Insurance and Social Life Assurance.

Mr. L. S. F. Charles, deputy managing director of British Aluminium, has been elected president of the ALUMINIUM FEDERATION.

Mr. D. J. Hughes has joined the Board of ROCHE SECURITIES.

Mr. Ian Blackmore-Sandbach has resigned from the Board of FRODO FENWICK (Leslie and Group) but continues as a technical consultant.

HOME NEWS Vauxhall plans U.K. Cavalier

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

BRITISH CAR production is likely to receive a substantial boost this year from plans by Vauxhall, the General Motors subsidiary, to bring manufacturing of its Cavalier model to the U.K.

Although details have not been completed, the U.K. company has hopes of being able to transfer production of the vehicle from Belgium to Luton towards the end of 1977.

This Vauxhall move has been given an indication that the management is aiming to introduce the car following the annual closure period in August and September.

Luton has sufficient capacity to take the assembly of the Cavalier, which is at present made at Genk in Belgium from parts produced by Opel, Vauxhall's associate company in West Germany.

It was noted that the Government would probably put further fiscal restraints on car buying, but the industry has been spared those so far, and there are strong hopes that it can retain the level of sales first reached in the early 1970s.

All the same, the SMMT has advised that the total sales forecast for 1977 from about 1.35m—the figure it was talking about in October—to 1.3m, this compares with an expected total of about 1,285,000 sales last year.

Optimism

The SMMT's qualified optimism about 1977 is mainly based on the fact that motorists will have to renew their cars this year.

Major role sought for airport

BRISTOL AIRPORT is the most suitable in the South West to receive diverted air traffic from London, according to a report published yesterday by the South West Economic Planning Council.

EEC comp law publish

The regional airport development to handle scheduled international services should be concentrated in a few major centres, such as Manchester and Birmingham.

fortune tement

Mr. B. J. S. Aspin has been appointed managing director of ACCLES AND POLLOCK.

Mr. D. H. King has become chairman of the NATIONAL EMPLOYERS MUTUAL GENERAL INSURANCE ASSOCIATION.

Mr. Peter F. Scott has retired as chairman and from the Board of Provincial Insurance and Social Life Assurance.

Mr. L. S. F. Charles, deputy managing director of British Aluminium, has been elected president of the ALUMINIUM FEDERATION.

Mr. D. J. Hughes has joined the Board of ROCHE SECURITIES.

Mr. Ian Blackmore-Sandbach has resigned from the Board of FRODO FENWICK (Leslie and Group) but continues as a technical consultant.

Mr. M. H. Gray has been appointed London area manager of the LONDON LIFE ASSOCIATION from March 1 with direct responsibility for the City branch office.

Mr. Michael Ward, MP for Peterborough, has been appointed Parliamentary Private Secretary to Mr. Frank Judd, Minister for Overseas Development.

Mr. C. J. Gibb has been appointed a director of SHAW WRIGHTSON (SURETY AND SPECIE).

Mr. M. H. Gray has been appointed London area manager of the LONDON LIFE ASSOCIATION from March 1 with direct responsibility for the City branch office.

Mr. Michael Ward, MP for Peterborough, has been appointed Parliamentary Private Secretary to Mr. Frank Judd, Minister for Overseas Development.

Mr. C. J. Gibb has been appointed a director of SHAW WRIGHTSON (SURETY AND SPECIE).

Mr. M. H. Gray has been appointed London area manager of the LONDON LIFE ASSOCIATION from March 1 with direct responsibility for the City branch office.

Mr. Michael Ward, MP for Peterborough, has been appointed Parliamentary Private Secretary to Mr. Frank Judd, Minister for Overseas Development.

Mr. C. J. Gibb has been appointed a director of SHAW WRIGHTSON (SURETY AND SPECIE).

NEW ZEALAND 7 1/2% Sterling Deutsche Mark Bonds 1978

S. G. WARBURG & CO. LTD., announces that Bonds of the value of £1,200,000 have been drawn in the presence of a Notary Public for the redemption on instalment due 5th February, 1977.

Numbers of the Bonds so drawn are as follows:-

Table with columns for £100 Bonds and £500 Bonds, listing serial numbers and their corresponding values.

On 5th February, 1977 there will become due and payable upon each Bond drawn for redemption, the principal amount thereof, together with accrued interest to said date at the office of:-

S. G. WARBURG & CO. LTD., 30, Gresham Street, London, EC2P 2EB.,

or with one of the other paying agents named on the Bonds.

Interest will accrue on the Bonds called for redemption on and after 5th February, 1977. Bonds so presented for payment must have attached all coupons maturing on 5th February, 1977.

The following Bonds previously drawn for redemption on dates given below have not yet been presented for payment.

Table listing bond numbers for £100 Bonds-01986, £100 Bonds-01233, £500 Bonds-12093, and £500 Bonds-16138.

# The Property Market

BY QUENTIN GUIRDHAM

TO stir the grey matter after the holidays, here is a quiz, mainly concerning the events of the last 12 months. In deference to the Fry Code I can offer no prizes but the winner may claim the honorary title of Beaver of the Year.

### Doings of 1976

1. What were the two largest public property company failures of the past year?
2. What was the largest portfolio sale, by a property company, to a single institution?
3. What was the highest price paid on a single building during the year (a) in Britain? (b) in Europe?
4. Who nearly took a stock exchange to the Privy Council and why?
5. Two major shopping centre schemes opened within a week of each other in March. Where and who developed them?
6. Who paid £5m. for a Park Lane business which made a trading loss of £248,000 in the half year before being taken over?
7. Who negotiated, when holding the key stake in a takeover bid, to have the right to buy the bidder's shares?
8. Who let 154,000 square feet of offices in Sheffield to the Midland Bank and to whom did they then sell the investment?
9. Which major American bank moved out of the City?
10. Who raised £8m. with a sale and leaseback of its Oxford Street store?
11. Two major British property groups rearranged their Canadian interests. Which and how?
12. What gave Piccadilly Circus and Trafalgar Square a similar look by the end of the year?
13. Which two major Midlands-based house builders appointed receivers?
14. How many times did the house mortgage rate change?
15. Who had to announce that £800,000 was "missing from funds"?
16. Which former chairman had



(A) Are things this bad?

his £100,000 consultancy agreement—subject to indemnification and with part payment in Belgian Francs—renegotiated after the Government took a stake in the company?

### Sayings of 1976

1. Which public company chairman said that rental levels would have to rise by 30-40 per cent across the full range of UK property before British companies would consider starting new developments?
2. Who, in the course of a takeover bid, maintained that "There can be no doubt that the split of the agreement has not been and is not being followed." What split, what agreement?
3. Who said, last month, "I have it firmly in my mind that bad bankruptcy proceedings taken place one thing is certain: a lot of names would have been revealed. There were more than 30 creditors and some of them were very important. Some were shady property companies, and all the dirty washing would have been banging out to dry. Perhaps Kenneth Clark was asked to find a suitable deed of arrangement dating back to the early part of this century, in order to get William Stern off the hook so that the names would not be revealed?"
4. Who maintained that, "Unless institutions can be sure beyond doubt that the developer can carry the can, they may as well carry out the development themselves, taking the risk and hopefully, reaping the reward?"
5. Who, to the distress of some of his members, said of present land legislation: "I do not mind if it is given another name. I do not mind if a new



(B) Name these three architectural monuments. They are all in the North and two are town halls.

Government pretends that the Community Land Act and Development Land Tax have been swept away for ever, provided that it retains what is workable under the guise of something quite new?"

### Past history

1. Which are the oldest established estate agents?
2. Which property developer is associated with Mickey Mouse?
3. Which was the first insurance company to invest in property?
4. Which was the first £5 a square foot letting in the City?
5. Who wrote "a propheetie c'est le vol," usually translated as "All property is theft"?

One of the first heavily publicised campaigns against post-war developers concerned the demolition of a London theatre in 1957. As part of the protest an actress interrupted a debate in the House of Lords and had to be removed by Black Rod. Who was the actress and which was the theatre?

### ANSWERS

#### DOINGS

1. Amalgamated Investment and Property, and Town and Commercial Properties.
2. English Property Corporation's sale of 255m. worth to Eagle Star.
3. (a) Hongkong and Shanghai Banking Corporation paid £22.35m. for the headless on 99 Bishopsgate in the City. The sellers were Berkeley Hambro Property and the executors of the late Felix Fenston. (b) Rotterdam council paid Town- and City Properties £23.5m. for the Europoint buildings.

MEPC had entered its case against Sydney Stock Exchange but the two sides settled just before the hearing.

#### SAVINGS

1. Sydney Mason of Hammerton Property and Investment Trust was finally dropping and renovation started on the Electricity Supply Nominees (ex-Stock Exchange) and Monaco sites in Piccadilly Circus and on the Grand Buildings block in Trafalgar Square.
2. David Charles and the Grosvenor Organisation.
3. Twice. It went down by 10% to 101% per cent in April and went up to a record 121 per cent in November.
4. The Wakefield Building Society.
5. Robert Povel of Drake and Cabott.

In both the Circus and Square's major redevelopment schemes, prepared for decades, were finally dropped and renovation started on the Electricity Supply Nominees (ex-Stock Exchange) and Monaco sites in Piccadilly Circus and on the Grand Buildings block in Trafalgar Square.

#### PICTURES

- (A) Not quite. Victor Lucas, of the British Property Federation and Regional Properties, was just planting a tree for Fred Cleary.
- (B) From the left, it's Leeds in the Liver Building, London in the Liverpool Building, and the tricky one, £40m. of Sun Life funding for Bolton Town Hall.

Artagen, and Walker maintained that the money should only have gone to new developments.

3. Dennis Skinner, MP for Belsay, over.

4. Hugh Jenkins of the National Coal Board Pension Fund.

5. P. Franklin, President of the Royal Institution of Chartered Surveyors.

6. R. W. "Tiny" Rowland, chairman of London City and Westcliff Properties, now a subsidiary of Lonrho, according to the Department of Trade Inspectors' report published last year.

### HISTORY

1—Probably Drivers, Jonas, which goes back at least as far as 1725. Cluttons, established in 1765, has some earlier antecedents. According to the learned Henry Butten, in the Guinness Book of the Business World, other ancient firms include Drewett, Watson and Barton, of Newbury (1758), Baxter, Payne and Lepper, of Beckenham (1760), Sparrow, Son and Bagley, of Nottingham (1785) and Morley Hewitt, of Scarborough, Leeds, Ass (1785). Richard Ellis has its bicentenary in 1973, as did the then named Herring, Daw and Manners.

2—Harry Hyams, who in younger days, donned a Mouse mask at Oldham Estate's annual meeting.

#### THE OLD EQUITABLE

More than 200 years ago it paid £2,000 for a 99-year unexpired ground lease—the ground rent being 24s 10d a year (no reviews)—of the Swan Tavern near Blackfriars Bridge, London.

## INDUSTRIAL AND BUSINESS PROPERTY

### Vauxhall Imposing Riverside Site

Freehold except for a small section.

About 2.63 acres

For Sale by Tender

Highest bid over £1 will be accepted

Closing date for Tenders: Noon Wednesday 9th. February, 1977.

For details apply:

**Knight Frank & Rutley**

20 Hanover Square London W1R 0AH  
Telephone 01-629 8171 Telex 265384

### A COMPUTERISED INDUSTRIAL PROPERTY REGISTER

Highams Park, E.4. 10,000 – 100,000 sq. ft.  
Factory units to let

Bedfont, Middx. 15,000 – 42,000 sq. ft.  
Warehouse units to let

Brentford, Middx. 71,000 sq. ft.  
Factory/Warehouse for sale to let

Enfield, Middx. 38,000 – 80,000 sq. ft.  
Factory/Warehouse units to let

Northfleet, Kent 6,000 – 125,000 sq. ft.  
Warehouse units to let

Orpington, Kent 30,500 sq. ft.  
Factory to let for sale

Langley, Berks. 30,200 sq. ft.  
Warehouse to let for sale

Nr. Gatwick, Sussex 10,000 – 50,000 sq. ft.  
Warehouse units to let

**JONES LANG WOOTTON**

33 Mark Lane, London EC3A 7SE  
Telephone 01-403 4200 Telex 302657

### TO BE LET HAWKE HOUSE, SUNBURY-ON-THAMES, MIDDLESEX.

5,466sq.ft. net PRESTIGE OFFICES  
825sq.ft. LOWER GROUND FLOOR ACCOMMODATION 15 MILES LONDON UNRESTRICTED USER

The offices are well located close to Sunbury Station (frequent fast trains to Watlington) and shops.

- Gas fired central heating
- Ample car parking
- Attractive landscaped grounds
- M3 (A318) & A30 close by
- M1 & M4 within easy reach
- Close to London's Heathrow and Gatwick Airports.

Contact: C. J. W. Lavers, Chalvey Development Ltd., Hawke House, Green Street, Sunbury-on-Thames, MIDDX. Tel: Sunbury-on-Thames (09327) 83182.

**Chalvey** build for business  
A Member of the Hovco Group

### LIGHT INDUSTRY IN GUERNSEY

Industrial land and buildings for sale or rent. Low taxation and no labour problems.

Send for free brochure to:

Fuzzey Estate Agency Ltd.  
South Esplanade  
St. Peter Port  
Guernsey, G.I.  
Tel: 0481 23656

### SURREY

If you require commercial premises in this area, we have numerous offices/shops/warehouses/light industrial units and businesses for sale and to let.

Please Contact:

**PEARSON COLE**  
Commercial Dept.  
Epsom 40777

### SOUTHAMPTON

Milthorpe Industrial Estate  
MODERN WAREHOUSE  
SQ. 10,000 FT.  
TO BE LET—ONLY £1 SQ. FT.  
FOX & SONS  
39-34 London Rd. Southampton 25185

### LONDON S.W.1 AIR-CONDITIONED OFFICE BUILDING

17,600 SQ. FT.

TO LET AT UNDER £7 PER SQ. FT. WITH IMMEDIATE OCCUPATION

Sole Agents:

**Hillier Parker**  
May & Rowden

77 Grosvenor Street, London W1A 2BT  
Telephone 01-629 7886.  
and City of London, Edinburgh, Paris, Amsterdam, Australia

BY ORDER OF  
**ALANVALE PROPERTY TRUST LIMITED**  
(FORMERLY THE ELLERMAN PROPERTY TRUST, LIMITED)

A Portfolio of 65 Investment Properties  
Producing £153,000 per annum.

Comprising Freehold Shop, Office and Commercial Investments.  
Sited mainly in London and the Home Counties.

FOR SALE BY PUBLIC AUCTION AT:-  
the Grosvenor House Hotel,  
Park Lane, London, W.1.  
on Thursday 10th. February 1977  
at 11.00am. precisely

particulars from the Auctioneers:

**ALLSOP & CO**

21 Soho Square London W1V 6AX  
Tel: 01-437 8977  
Telex: 267 387

### SAVILLS

Offices

### WANTED

Self-Contained Prestige Offices

10/15,000 sq. ft.

Within 30 mins. of Heathrow

Ref jsw

20 Grosvenor Hill, London, W.1X 0HG. Tel: 01-499 3644

Offices  
Office sites  
Factories  
Warehouses

Telephone:  
0733-68931 Ext 326

Chief Estates Surveyor  
Peterborough Development Corporation  
PO Box 3 Peterborough PE1 1LJ

### BEDFORD

FOR SALE

### ELMS INDUSTRIAL SITE

Finest Position Caxton Road

### WAREHOUSE/INDUSTRIAL SITE

With Planning Permission

### 3/4 ACRE FREEHOLD

Roads and Services Constructed.  
Deferred Terms Possible

KILROY 50, St. Loys Bedford 59952  
HARRY BALL & CO. 30, Mill Street Bedford 67241

### OLDBURY WEST MIDLANDS

FOR SALE

SUPERB FREEHOLD INDUSTRIAL/WAREHOUSE DEVELOPMENT SITE  
2.75 ACRES

IDEAL FOR OWNER OCCUPIER TO DEVELOP A UNIT OF UP TO 60,000 SQ. FT.

Excellent Road Frontage—135 yds. Level Site  
AD Services Available. M9 Junction 2 only 1 mile

**NEALE & ALLDRIDGE**

Chartered Surveyors  
80, NEWHALL STREET, BIRMINGHAM B3 3SQ. TEL: 228 8000

### FACTORY/WAREHOUSE COMPLEX

Lombard Road Trading Estate  
Merton S.W.19

70,000 sq. ft.

FOR SALE or TO LET

**Kemsley Whitley & Ferris**  
29 Ropermaker Street, London EC2A 4JF  
CHARTERED SURVEYORS 01-628 2873

### PRIME INDUSTRIAL SITE UP TO 12 ACRES, 800MM

With outline planning, adjacent access to new by-pass, central to and most important site in Cornwall, Govt. Grant Area, 121 years ground lease geared to rack rent at 17 years and 21 years thereafter commencing at £1,350 per acre (poss. freehold later). Please write to the owners at 34 Sea Road, Carlyn Bay, St. Austell, Cornwall PL25 3SF.

Handwritten Arabic text at the bottom center of the page.



# The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

## METALWORKING

### Cutting speed increased

SINCE THE end of the 19th century it has been known that metal could be machined more readily if heat were applied...

Now Holmach Systems (part of BOC) has launched hot machining equipment which enables metal to be removed at considerably increased rates...

The company says the system represents a significant breakthrough in metal cutting technology, particularly where difficult-to-machine materials...

Although several versions have been installed in industry, with considerable success, Holmach is still exploring the possibilities of the process...

The process is based on the principle of strictly controlled metal softening in the region just ahead of the cutting tool...

The torch is attached to the machine tool on its own 3-axis adjustable carrier, and can be easily fitted or removed...

The latest installation is at Deloro Stellite (UK) Swindon, where the system has been fitted to a production vertical boring mill...

The system is supplied as a complete package, with the torch fed from a power/control console, which uses logic circuits to control the argon gas supply and the DC power.

Longitudinal and cross slides are driven by a dc servo motor giving infinitely variable feeds from 0.01 to 1,000 mm/min...

The machine will take bars from 2 to 60 mm diameter, and bar feed up to 3 metres/min...

### Bar and chucking machine

INCORPORATING two-axis NC control, a bar and chucking machine has been developed by Niles, a member of BMW...

It has a box-shaped bed, angled at 15 deg. to the vertical to provide easy access and gravitational swarf clearance...

An optional optical tool presetting device gives accuracy in both co-ordinates to within 0.01 mm.

The machine will take bars from 2 to 60 mm diameter, and bar feed up to 3 metres/min. It is controlled by a sub-routine in the automatic cycle...

### Output of components raised

THE NEWALL Engineering Co. of Peterborough, which makes precision jig boring and grinding machines for the automotive, aero-space and general engineering industries...

Some 1,000 different components for Newall's machines require turning, boring and threading operations...

Each machine has a welded steel column, a heat-treated steel crankshaft running on ball bearings and interchangeable hammer and anvil.

### Less noise in the mill

FOLLOWING WORK by Wira, Leeds textile research and the Leeds Textile Services Centre, a substantial reduction has been achieved in the noise levels surrounding the noise combing machines in a French combing mill.

This success has stemmed from a Wira project to find ways of reducing the noise emitted by reducing the noise energy in existing textile machinery...

The Schlumberger was chosen as a machine likely to be in common use in the wool textile industry for some time...

The treatment costs about £50 per machine including fitting and can be tailored to suit other similar machines at a cost depending on individual requirements.

A further reduction of 3-dB(A) can in some cases be obtained by the addition of an acoustic hood...

The combination of Procem's stable isotope capability with the gas mixing technology and analytical expertise of BOC Special Gases places Procem in a unique position to supply analysed gas mixtures...

### Leaf spring forging hammers

INTENDED PRIMARILY for the production of light forged components, such as small tools, cutlery and garden equipment...

Motors ranging in power from 2 to 3.5 hp drive the hammers, which weigh 30, 60 and 85 kg...

Each machine has a welded steel column, a heat-treated steel crankshaft running on ball bearings and interchangeable hammer and anvil.

These labelled gases and mixtures need special equipment to maintain their purity and ensure safe control in their intended application...

The unit is protected against high starting thrusts and against overloading by a hydraulic actuated wet plate clutch...

Major advantages of Transmatic are stated to be compactness, high efficiency and low noise. The unit is insensitive to torque fluctuations...

**KGEL LTD**  
Kennedy Tower,  
St. Chads Queensway,  
Birmingham B4 6EL

### Advanced pressure switches

PRESSURE SWITCHES incorporating as standard normally closed contacts have been added to the range of solenoid valves marketed by Dewaswitch...

All the switches incorporate a diaphragm piston pressure transducer with an adjustable span assembly. The alternating fulcrum balance plate allows wide range of pressure to be controlled by two independent adjustable springs...

The adjustable deadband pressure switch uses the balance plate to give separate actuation and re-actuation points which are independently adjustable over the full scale pressure range...

### Supplier of rare gases

PROCEM—the stable isotopes unit of BOC Special Gases—is supplying deuterium gas, rare gas isotopes and various labelled gases for many applications...

### High and low variable speed drive

FOR THE transmission of high and low output speeds, variable drive units, suited to a wide range of machinery...

The unit is protected against high starting thrusts and against overloading by a hydraulic actuated wet plate clutch...

### Space-saver wheeled container

INTENDED FOR internal distribution of parts and packages, a semi-collapsible container on wheels has been developed by a Dutch company...

Called the Rol-Z-Container, it has a Z-shaped basic structure built from steel hollow sections. The base, top and sides are all hinged from the main frame...

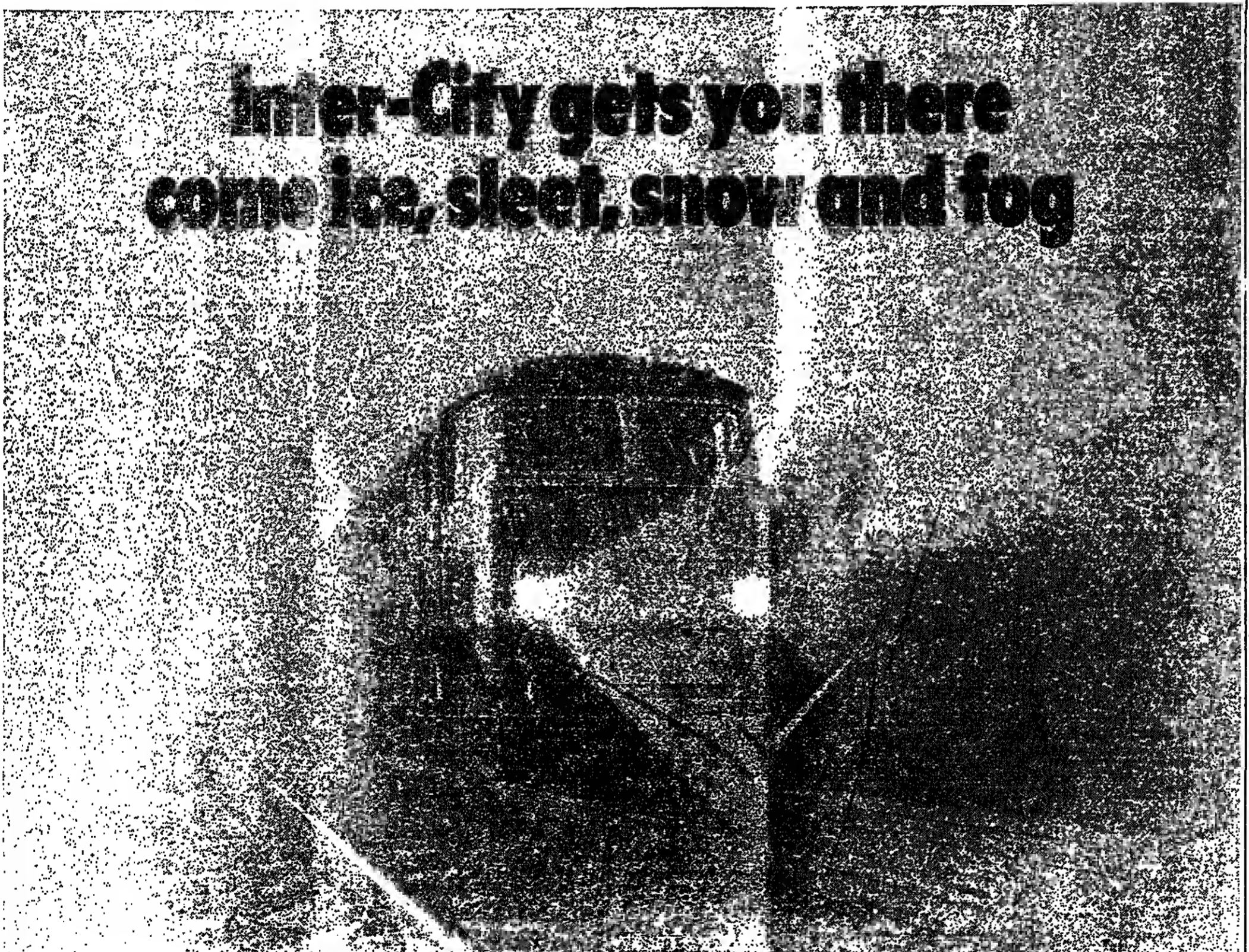
### Cutting out ovals and circles

AN orbital mount cutter has been developed by Opus Technic, 53 Belmont Road, Uxbridge, Middx. UB8 1SA (Uxbridge 38190).

Capable of easy adjustment to form circles or ovals with diameter/lengths from about 43 to 22 inches, the hand-operated unit produces a clean-cut bevelled finish...

By agreement between the Financial Times and the BBC, information from The Technical Page is available for use by the Corporation's External Services as source material for its overseas broadcasts.

BEAVER ADVERTISING Industrial Advertising and Marketing 01-236 8888



# Inter-City gets you there come rain, sleet, snow and fog

Even the best laid plans can fall foul of the weather.  
So it's reassuring to know that when you've got a journey to make, Inter-City is the safest way to go.  
Quickly and comfortably.  
Come rain or shine.  
Which, as we think you'll agree, is better than being kept waiting in a fog-bound airport lounge or driving down an icy motorway.  
With Inter-City, it's nice and cosy inside.  
Whatever the weather's like outside.  
On many trains you can enjoy air conditioning, reclining seats, excellent restaurant, friendly buffet bar... it's all so much more relaxing.  
Next time the weather gets rough, remember who makes the going easy.

Fast and frequent Inter-City services cover 200 principal towns and cities in Britain. Here are some fastest journey times between London and major business centres.	
GLASGOW	5hr
MANCHESTER	2hr 26min
LIVERPOOL	2hr 31min
NEWCASTLE	3hr 33min
LEEDS	2hr 29min
SHEFFIELD	2hr 30min
BIRMINGHAM	1hr 31min
BRISTOL	1hr 32min
CARDIFF	1hr 53min
SOUTHAMPTON	1hr 10min
LEICESTER	1hr 24min
PLYMOUTH	3hr 42min
NOTTINGHAM	1hr 55min
STOKE-ON-TRENT	1hr 45min



## Inter-City

makes the going easy

# The Management Page

EDITED BY JOHN ELLIOTT

John Elliott looks at a report which is intended to give a new lease of life to ICI's 23-year-old profit-sharing scheme

## Added value plan for distributing ICI's wealth

AT A TIME when ideas for worker participation are concentrating on worker director and other trade union based proposals for industrial democracy, one of the oldest forms of employee involvement is about to be given a new lease of life by ICI. To-day its 95,000 monthly and weekly paid staff will be given a summary of a report drawn up by their own representatives with the company's management which proposes that ICI's 23-year-old profit-sharing scheme should be revamped.

The aim is to remove some of its paternalistic overtones, to make it more easily operable at a time of inflation, and to base it on an easily understood formula which links the bonus rate to the performance of ICI's business, including the wealth it creates and its employment costs. The way that is being suggested is to abandon profit as a yardstick and instead to adopt a relationship between added value (the difference between total sales income and the cost of materials and services purchased) and total employment

costs. This means in effect that the new formula protects ICI from having to pay out extra amounts at times of rapid inflation.

Other issues considered by the committee included whether the bonus should be paid in cash instead of the present shares and whether the calculations for the size of the bonus should be made factory by factory instead of across the whole company.

The committee concluded that the objectives of the scheme would best be achieved by issuing stock and involving employees as shareholders and added: "Although over the years a large amount of stock has been sold (about 60 per cent. as at September, 1971—the date on which statistics on this subject were discontinued) the absolute amount of stock retained is significant and contributes to the objectives of the scheme." The shop stewards and other staff representatives on the committee also accepted the fact that switching to a cash pay-out would mean that the money would be put into the pockets of employees instead of being ploughed back into the business which would mean the company would have to raise cash in other possibly less convenient means.

The possibility of switching the basis of the scheme from the whole company to individual divisions or factories which would have meant different employees receiving differing amounts, was also rejected. "The scheme is an ICI company scheme, rewarded in ICI shares, and helps to join together employees as ICI staff," says the report. The report does however, recommend that the scheme should be changed to help lower paid in the company which it is hoped will boost the involvement of all the employees. The recommendation is that all full-time employees who earn less than £3,000 a year should have their gross bonus calculated as if they were on £3,000.

All these proposals will now be considered by ICI's management and by its employees as a way of binding the employees per cent. The drop in the past two years is the result of inflation.

is something distinctive about the company which helps to give many employees a sense that ICI is a good company to work for. It helps as one of the background factors to give employees a feeling of cohesion with others in the company and to encourage co-operation."

### Traditional union view

This statement of employee interest is significant because the report was produced by a joint management-employee committee that included 23 elected shop stewards and other worker representatives. The shop stewards were therefore backing something that unions usually dislike. The traditional union view is that profit sharing is normally a grace and favour handout as well as being a backdoor form of incomes policy because it keeps wages out of the economy. Unions also complain that it means that the worker is putting all his eggs in one basket by investing both his working life and his savings in the same company.

ICI is of course aware of this and is anxious that the sum involved each year should not form too large a proportion of an employee's total income. This is partly because it should not be large enough to cause hardship when it is cut back in bad years. In addition, it seems likely that so long as it remains fairly small and is not directly linked with factory incentives, the trade unions will not object to it or try to use it as a bargaining counter to wage negotiations.

To-day's report recommends that the grace and favour aspect should be removed because the new added value formula it has devised would replace the present right of the Board of ICI to fix the annual bonus rate in any way it chooses. It would also not significantly increase—and might well even marginally decrease—the amount paid out.

The report starts by acknowledging failings in the existing scheme which includes a lack of understanding among employees about how the profit-

related figures are calculated and about how they relate either to an individual worker's or the company's performance. The scheme therefore was "not a significant factor in stimulating employees to be any more involved in improving company performance," says the report.

To change this, three revised objectives are put forward: "To help encourage the co-operation and involvement of all employees in improving the business performance of the company; to provide tangible evidence of the unity of interest

of how the company operates financially, of business realities, and of the importance to all concerned of operating greater added value or wealth."

The existing scheme depends on the ratio of trading profit before tax to assets employed, on which the ICI Board bases its judgment on the appropriate bonus rate. Inflation has upset this calculation so the committee preparing the report looked for a "performance measure based on several factors so that the effects of inflation on any one of them is offset as far

as possible by the effect on the others." Because of this the committee ruled out profit and profitability, which also suffered from being potentially unclear and remote in the eyes of employees.

With the encouragement of the attitude adopted by ICI in its 1975 annual report, the committee therefore lighted on added value as probably being "more attractive to employees than the somewhat ambiguous profit concept."

Next the committee adopted the ratio of added value to measurement of business per-

formance, even though they realised that it had limitations in that it did not measure utilisation of capital. But it had the advantage that both parts of the ratio were likely to be affected by inflation to a similar degree and would not be affected too significantly by any switch to a system of inflation accounting.

Next the committee moved on to develop a formula to turn the ratio into a bonus rate in a way that would be simple, firstly in its basic concept, secondly in relating the bonus rate to performance, thirdly in presentation, and fourthly in its calculation. The objective was that every employee should be able, with the help of published data and a bonus table, to calculate his bonus rate.

"The formula should be positive, that is as performance improves, the index measuring performance increases and the corresponding bonus rate should increase," says the report. "We consider the implications of a positive formula to be important in as much as the attention of employees is focussed on the need to generate wealth, or added value, and the recognition that an increase in the ratio added value divided by employee costs represents an improvement in performance."

"In designing the formula we believe that there should be no artificial ceiling or floor in the bonus rate. The company should be prepared to consider bonus rates higher than the current 10 per cent. ceiling if the company's business performance approaches the best levels achieved by an international chemical company." Accordingly the scale adopted by the committee shows 15 per cent. when added value divided by employee costs reaches 2.42. This, the report points out, "is equivalent to the best ratio achieved by a major international chemical company of acknowledged high performance (Dow in 1974)."

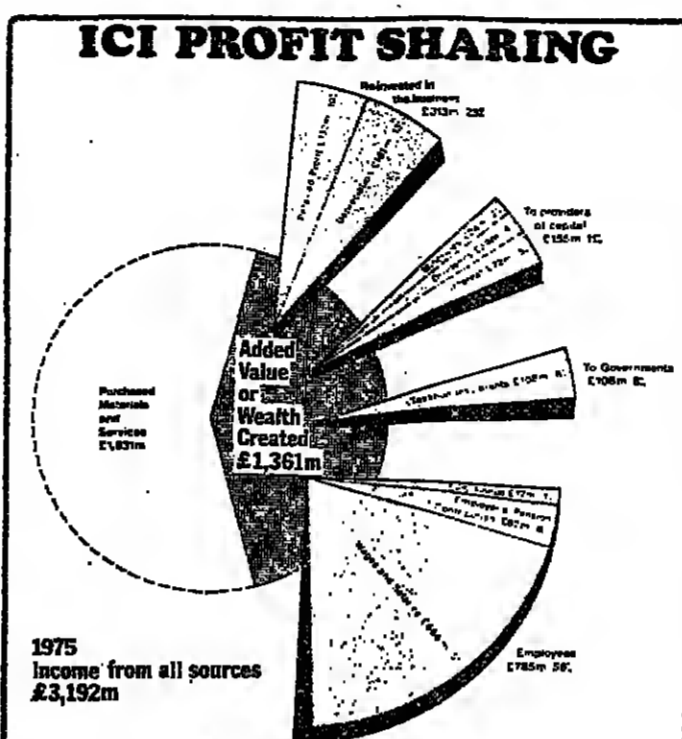
On the other hand, says the report, "when employee costs are absorbing 65 per cent. of added value, or twice as much as all the other calls on the

company's wealth creation put together, we do not believe a performance related bonus could be justified. At this level of performance it could be said the company was not creating sufficient wealth to sustain growth for the future." Tables prepared by the committee therefore show no bonus when their calculation falls to 1.54. The 65 per cent. figure at which a bonus would not be paid compares with employment costs taking up 58 per cent. of added value in 1975. The figure quoted for the American Dow Chemical Company as the best target level is however much lower, with employment costs taking up only 41 per cent. of added value.

Applying this new added value approach to the 1975 figures shown in the diagram would mean that the added value of £1,361m. would be divided by employment costs of £768m. (the 1985m. wages and salaries plus £82m. pensions). This produces a ratio of 1.77, which on the calculations table prepared by the committee would yield a 3.9p in the £ bonus rate. Applied, say, to an average wage of £70 a week, this would produce £136.50 for the year which, less tax at 35 per cent., would leave £88.72. This money would be spent on shares at about £3 each which would mean that in that year the average worker would have received about 30 shares which he could keep or sell.

The 3.9p rate would have been less than the 5p actually paid for 1975 when the amount was related to profits and decided by the Board under the existing system. The figure would also have been lower—9.5p compared with 10p—in 1974. But for the preceding eight years it would have been larger and the average for the past ten years would have been 6.9p on the new added value formula compared with 5.8p actually paid—an increase of 19 per cent. The drop in the past two years is the result of inflation.

All these proposals will now be considered by ICI's management and by its employees as a way of binding the employees per cent. The drop in the past two years is the result of inflation.



### A measure of performance

The concept of added value has recently started to play a more prominent role in ICI affairs. It has been used for some time within the company as a measure of performance but emerged in the 1975 annual report last year for the first time as one way of interpreting the company's results. ICI pointed out that the purpose of its business is to create wealth by adding value to the goods it buys and calculated that during 1975 it did this to the tune of £1,361m.—the difference between total sales income (as shown in the diagram) of £3,192m. and the £1,831m. cost of materials and services purchased.

This has now been adopted as a possible basis for changing the background of the feelings of the profit sharing scheme, employees about, and their under which shares are given to ICI employees on a company-wide basis that averaged £112 existing scheme is valued by each after tax in 1975. ICI

large majority of employees: It

is

### Business courses

- First World Congress on Product Liability Law, Institution of Electrical Engineers, London, January 19-21. Further details from Bullock and Turner, 60, Highbury Grove, London N5.
- Developing Procedures for Collective Bargaining, Brunel University, Uxbridge, January 11-14. Fee: £150, which includes meals but not accommodation. Further details from The Secretary, Management Programme, Brunel University, Uxbridge, Middlesex.
- Financial Analysis for Manufacturing Management, London, January 12-14. Fee: £500. Further details from NYU Seminars for Industry, c/o Conference Associates, 34, Stanford Road, London W8 5PZ.
- Industrial Relations in 1977, Cumberland Hotel, London, January 17-18. Fee: £90 plus VAT. Further details from European Study Coferences, Kirby House, 31, High Street East, Uppington, Rutland, Leics. LE15 9PY.
- Practical Pricing Policies, Rembrandt Hotel, London, February 1-2. Fee: £90 plus VAT. Further details from ASM, 5, The Parade, St. Johns Hill, London SW11 1TG.
- Manpower Planning, Brunel University, February 8-10. Fee: £145 exclusive of accommodation. Details from The Secretary, Management Programme, Brunel University, Uxbridge, Middlesex.
- How to Negotiate for Money, The Churchill Hotel, London, February 11. Fee: £275. Further details from AMR International, 6-10 Frederick Close, Stanhope Place, London W2.
- Effective Applications of Business Models, Royal Garden Hotel, London, February 14-15. Fee: £495. Further details from AMR International, 6-10 Frederick Close, Stanhope Place, London W2.
- Successful Negotiating: Strategies and Performance, Hotel Intercontinental, February 14-15. Fee: £495. Further details from AMR International, 6-10 Frederick Close, Stanhope Place, London W2.

## How to do business in Australia & New Zealand



### Ask the Bank of New South Wales

Our vast network of branches forms the largest, longest-established, free enterprise banking complex in this region. This means we really know the countries, their people, their business and their potential. Let us help you find your business bearings in the area and contact the right people.

Write to: Chief Manager for U.K. and Europe Bank of New South Wales 29 Threadneedle St., London EC2R 8BA

### Bank of New South Wales

The Bank that knows Australia and New Zealand business best. Over 1300 Offices. Australia, New Zealand, New York, San Francisco, Frankfurt, Bahrain, Tokyo, Hong Kong, Singapore, Jakarta, Papua New Guinea, Fiji, New Hebrides and other islands of the Pacific. Three branches in London. Incorporated in Australia with limited liability.

## THE ONLY 747SP TO TEHRAN LEAVES AT 10.30 AM.

Only Iran Air fly the 747SP to Tehran. This Special Performer Jumbo flies a mile above the normal traffic lanes. A mile above the bad weather. Which makes it the most comfortable plane in the air. And now we fly it at 10.30am. So you don't have to start at an unearthly hour to catch our high flier. For full details of our seventeen flights a week (including the 747SP) or to make reservations, contact your travel agent.



THE WORLD'S FASTEST GROWING AIRLINE.

### Who's looking after the phone?

**Agovox C380** the latest phone-answering machine from the Zeiss group

- competitive rates for 1-year rental
- available immediately

RING 01-720 8981 anytime!

Agovox Answering, 26-32 Voltaire Rd, London, SW4 6DJ

**Agovox Answering!**

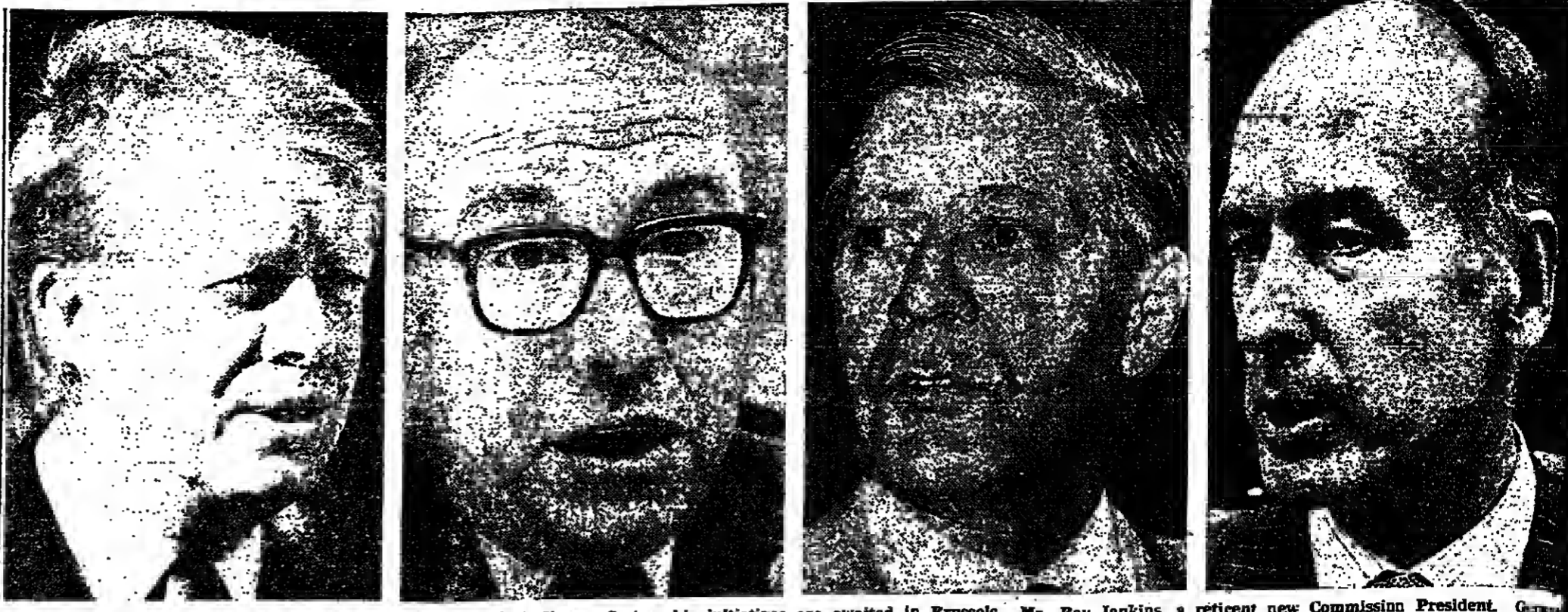


## New idea? NRDC can halve the financial burden.

If your Company has a technical idea worth developing, now is the time to get the project under way, to take advantage of the future increase in world demand. NRDC can shoulder half the development risk by paying half the cost. You will be free to run the project your way and you won't have to pay a penny for the money until sales revenue is generated. Contact NRDC about it now. Write to the National Research Development Corporation, Kingsgate House, 66-74 Victoria Street, London SW1E 6SL. Better still, ring Brian Mann on 01-828 3400.

## NRDC For the finance a good idea deserves

14 THE FINANCIAL TIMES (Established 1888) Incorporating THE FINANCIAL NEWS (Established 1884) Head Office Editorial & Advertisement Offices: BRACKEN HOUSE, CANNON STREET, LONDON EC4A 3DF Telephone Day & Night: 01-248 8000. Telegrams: Financials, London. Telex: 886347/2, 883897 For Share Index and Business News Summary Ring: 01-246 9026



Key politicians for the European stage: U.S. President-elect Jimmy Carter—his initiatives are awaited in Brussels. Mr. Roy Jenkins, a retiring new Commission President. German Chancellor Helmut Schmidt, disenchanted with Common Market Institutions. France's President Valéry Giscard d'Estaing, under pressure at home from both Left and Right.

# The balance of power

FOR 30 YEARS the defensive policy of the West has been founded, in one form or another, on the idea of deterrence. In the past decade, the idea of American superiority in nuclear strategic capability has given way to parity, or mutual deterrence, but this closing of the gap has not prevented most people from assuming that the U.S. could still inflict unacceptable damage on the Soviet Union and thus deter it from launching a strategic attack.

**Perception** It may be argued that the Soviet Union has too big a stake in world stability ever to wish to exercise such an option, and that the arms build-up is the reflection of Moscow's misplaced perception of its own danger from attack by the West. But if Washington's new strategic assessment is as pessimistic as reports suggest, it will clearly call for a policy response rather than expressions of hope. One option would be to seek to persuade the Russians to cut back their arms programme, in a second Strategic Arms agreement. During the campaign Mr. Jimmy Carter was keen to pursue this line, and it is one which has been actively encouraged by Mr. Leonid Brezhnev, the Soviet leader. There is very little reason to believe that it will achieve the desired result. Dr. Henry Kissinger assumed that Moscow could be tamed by negotiation, but the first Strategic Arms agreement had no effect on the Soviet build-up because the ceilings were too high. The new weapons developed since then, notably the cruise missile, are even more difficult to detect and monitor than those relevant to SALT 1, and there is little reason to suppose, therefore, that SALT 2 would be any more meaningful than SALT 1.

# Nearing the end of the Meriden story

THE GOVERNMENT'S decision not to provide further assistance to the Meriden motor cycle co-operative is embarrassing but right. Conceivably the co-operative can find commercial sources of finance to keep the operation going in some form, but a painful contraction seems inevitable. Many people will find this sad: Meriden represented a sincere attempt to achieve high productivity and low costs through a new form of work organisation. If Meriden dies, this will be nothing to crow about, any more than one can be proud of the events which preceded it: mismanagement had virtually destroyed the motor cycle industry long before the Meriden co-operative appeared on the scene. But the Government, having already committed large sums of taxpayers' money to the enterprise, had to draw the line somewhere: a cold appraisal of commercial prospects evidently convinced the Department of Industry that a further injection could not be justified.

**Incompetence** The employees involved, both at Meriden and at the other motor cycle plants which have been closed down or reduced in size, will feel a great sense of bitterness and betrayal. The whole saga, starting with the Conservatives' rescue of the BSA motor cycle business in 1973, has been one of extraordinary incompetence on the part of the Government. Commitments have been made and then abandoned, false hopes have been raised. Ministers have veered unpredictably from commercial criteria at one moment to a sentimental affection for social experiments at another. For trade unions the story should be an object lesson in why the Government should

# Waning political drive in EEC

BY GUY DE JONQUIERES, Common Market Correspondent

THE European Economic Community as a framework for Community is drifting into the new year in a state of considerable uncertainty and some apprehension. In the face of some of the most difficult challenges which they have faced since the first big OPEC price rise in 1973, European Governments appear to be floundering, acutely aware of the dangers which they face, but incapable of deciding on any common basis for tackling them.

**Inconclusive outcome** The dimly inconclusive outcome of last November's Summit meeting of EEC Heads of Government to The Hague does not provide much encouragement that the Nine are yet ready to make the Community their policy-making forum. Indeed, it tends to confirm the impression that many EEC Governments are unwilling to press for progress at Community level much beyond the point where their national interests happen naturally to coincide. Not only were the leaders unable to agree on any constructive approach towards the faltering economy, the expected rise of oil prices, or, in EEC relations with developing countries. They also effectively ended meaningful discussion of further moves towards European union by jettisoning the Tindevans report.

This may be partly due, of course, to the fact that Mr. Jenkins has been fairly reticent so far about how he intends to tackle the difficult task before him, as well as to doubts about what changes Britain can effect during its six-month presidency which began on January 1. But it also reflects a decline in the degree of confidence which European Governments are prepared, or able, to repose in the

considerable progress has been made during the past year towards removing internal barriers to EEC trade through the harmonisation of industrial and consumer standards for a number of products. Two directives governing public supply contracts and changes in corporate capital have been adopted, while the Commission has sensibly discarded its old philosophy of promoting standardisation for its own sake in favour of eliminating those obstacles which really matter.

Among the larger countries, only Germany, with its preponderant economic strength and its relatively stable political situation, is in a position to supply the kind of impetus which might give the EEC a new sense of direction. But advocates of European integration of the traditional kind look in vain to Chancellor Helmut Schmidt to provide it. While paying lip service to the ideal of European union, he has made no attempt to disguise his disenchantment with EEC institutions. His firm belief is that in order to find solutions to its most urgent problems—and particularly the central dilemma of their divergent economies—the Nine must look beyond the framework of the EEC to the wider community of industrialised nations. For this reason, he argued more strongly than any of his colleagues at The Hague that the Nine should wait to see what President Carter would do before attempting to reach decisions on their own.

All this does not mean, of course, that activity within the Community is threatened with complete stagnation. But governments have found it far easier to reach decisions designed to strengthen or defend the interests of the EEC as a major trading bloc than to promote progress towards the loftier ideals of political or economic integration. At a mundane, but important level,

been able to find evidence of dumping only in the case of ball bearings. The real cause for alarm is that Japanese competitiveness is exacerbating the already serious problems of many of Europe's older industries such as textiles, steel, and shipbuilding, along with several newer ones, including the motor industry, electronics, and chemicals. This is a concern which is shared even by the more prosperous EEC countries and, indirectly, by the U.S., which fears that it will be deluged by Japanese exports diverted from European markets. Even if Japan agrees to additional temporary restraints on exports, major efforts will have to be made by the Nine to ease the problems of weaker industries if a durable solution is to be possible.

**Current efforts** The trade dispute with Japan illustrates vividly how the Nine often find it simpler to decide on external initiatives than to sort out their own internal difficulties. The same is true of the current efforts to revise the Common Fisheries Policy and, in a slightly different sense, of the question of the further enlargement of the Community, which is likely to be one of the main themes dominating EEC affairs during the rest of this decade.

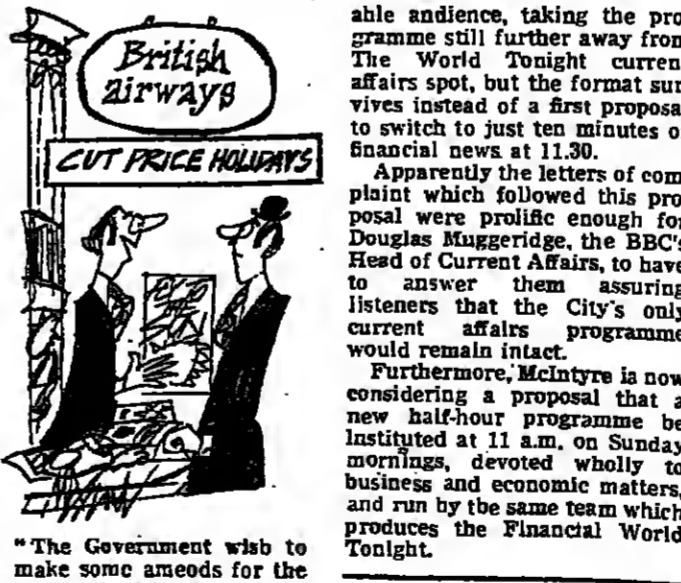
The Nine have found it far easier to yield to insistent Greek demands for the start of entry negotiations into the EEC than to come to grips with the practical problems which Greece is likely to pose for the Community's own future development. Even less thought has been given to how the Com-

# MEN AND MATTERS

## Mixed progress on the oyster beds

How fares the middle-class oyster? As promised, here is a report on development work in Britain, the results of which seem mixed, with at least one hopeful young company going out of business but with some optimistic signs, notably in Northern Ireland. Before the First World War, well-heeled Britons consumed 10,000 tons of oysters a year. The annual figure has dropped these days to far below 1,000 tons. Any decent oyster revival would seem to depend on the creatures being turned out at prices attractive to a mass market: research to that end was carried out a few years ago by the White Fish Authority and one hatchery based on the findings was set up on Anglesey. The company was called Seed Oysters, and its backers included some sporting London bankers. The initial capital, in 1973, was £120,000, and there was a Government loan of £40,000 in late 1973. That explains why it was the Welsh Office that, three years after the loan, had Receivers appointed when Seed Oysters failed to catch on, bad weather being one factor in the failure. Better luck is being had by Savell Hicks, an Ulster industrialist, whose efforts are impressing the White Fish Authority. He declares that investors have got to sit tight for five or six years before expecting returns from the oyster business. "So many people are impatient. Lots of them have got their fingers burned."

At the root of the new and not always fulfilled ambitions in this particular branch of mariculture is the Pacific oyster. Most of the edible bivalve molluscs tossed down in expensive restaurants are native, or

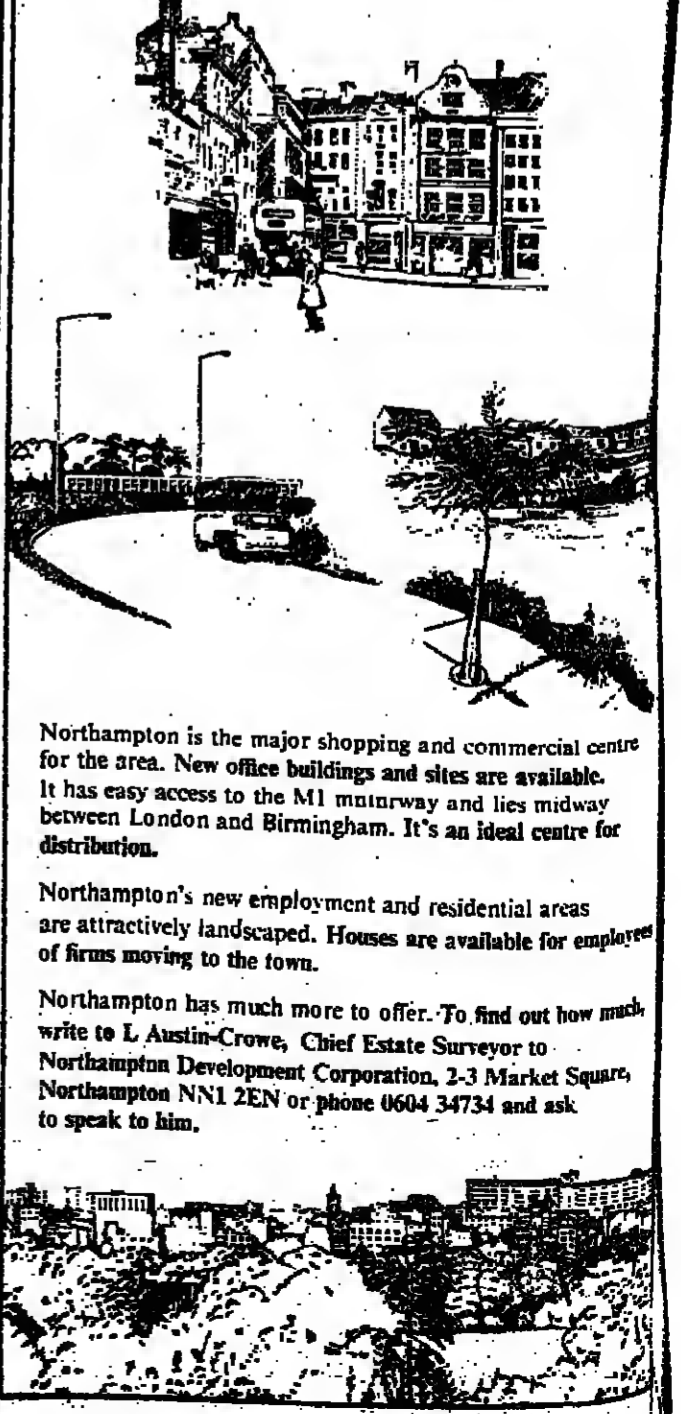


"The Government wish to make some amends for the state of the country by offering you this golden opportunity to get away from it all!"

## BBC changes plan for City news

The public, it seems, does have a say in developments at the BBC. Last month's proposals by the new Controller of Radio 4, Ian McIntyre, virtually to do away with the Financial World Tonight programme, as well as altering and reducing other Radio 4 current affairs programmes, was followed by a spate of protests from businessmen. McIntyre has now come up with a new set of proposals which again affect almost all the existing programmes. But among the changes he now envisages, the most impressive is his turnaround on the Financial World Tonight. It is to continue in its existing format, but will start at 11.15 p.m., a quarter of an hour later than at present. The timing may not increase the chances of attracting a size-

# Northampton



Northampton is the major shopping and commercial centre for the area. New office buildings and sites are available. It has easy access to the M1 motorway and lies midway between London and Birmingham. It's an ideal centre for distribution. Northampton's new employment and residential areas are attractively landscaped. Houses are available for employees of firms moving to the town. Northampton has much more to offer. To find out how much, write to L Austin-Crowe, Chief Estate Surveyor to Northampton Development Corporation, 2-3 Market Square, Northampton NN1 2EN or phone 0604 34734 and ask to speak to him.

Observer







JP... 15/10

Friday January 7 1977  
c Rentals  
leap

The Financial Times Friday January 7 1977

# Allied Breweries £8m. up in second half

An 8m. improvement in the second half pre-tax profits of Allied Breweries by £2.8m. to £11.2m. for the 52 weeks to September 30, 1976, after £8.4m. (£8.1m.) at halfway in October. The directors forecast year-end profit of not less than the previous period. The outcome equals the 1972-73 record result.

## BOARD MEETINGS

The following companies have called dates of Board meetings in the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends are likely to be declared or not, and the above are based on the companies' own statements.

## Mr. Rivkin to start new business

Mr. Michael Rivkin, chairman and managing director of Argyle Securities, is resigning to start a private property business following acquisition of the company by Generale Occidentale. Mr. Rivkin will be severing all connections with Argyle, its associated and subsidiary companies and its Board. The new organisation, Mr. Nicholas Spurrer will become chief executive. Mr. Louis Sherwood will become executive chairman of Maidenhead Investments (Holdings) and Mr. Eric Lacey, property director of Generale Occidentale, will join Argyle as chairman. Mr. Joseph Schulzentruf will also join the Board. Sir James Goldsmith, Mr. Peter Hillwood, Mr. Eric Levine, Mr. Dennis Franklin and Mr. Thomas Sebastian will resign as directors of Argyle.

£82,500 subject to tax of £42,900 (£37,400)

Earnings per 25p share are 0.0125p (0.013p) and the net interim dividend is held at 0.75p—the previous year's total was 2.1836p and profits £147,193.

# Whessoe prospects for 1977

Prospects at Whessoe for heavy engineering, which last year recovered from the previous period's losses, depend on the company's ability to secure major new contracts for certain operating units, the chairman, Lord Erroll of Hale, states in his annual review.

The value of new contracts and additions received during the year ended September 25, 1976 was a record £60m.—some 30 per cent. higher than 1974-75 and 33 per cent. above of the previous peak in 1973-74.

# Comet sees half year upsurge

AT THE AGM of Comet Radio-Vislon Services, Mr. M. J. Hollibaugh, chairman, said that levels of trade and margins continued their strong trend between the issuing of his annual statement and Christmas. As a result, he expected to announce a profit for half year to February 1977 which would be materially in excess of the £2.7m. achieved in the whole of the previous record year of 1974-75.

# Symonds Engineering down midway

A fall in pre-tax profit from £128,000 to £104,000 is reported by Symonds Engineering for the half-year to September 30, 1976. Sales were down from £925,000 to £805,000. The directors state that there is a slightly upward trend in order intake and, if this continues, they are hopeful that trading results for the second half will enable results for the year to be satisfactory. On this basis the Board would recommend payment of a maximum permitted dividend.

# J. North Redeems

James North and Sons has bought for redemption £175,000 of its 7 1/2 per cent. Unsecured loan stock 1987/92, leaving £720,083 in issue.

# Brentnall Beard starts work

Mr. Brentnall Beard, former chairman of the British Coal Corporation, has started work as a consultant to the British Coal Corporation.

# Whitbread to exchange Long John debenture

Whitbread debenture stocks to be substituted for Long John 6 per cent. debenture stock 1985-90.

# Anston ahead at halfway

Turnover of Anston Holdings for the six months to September 30, 1976, was £3.43m. (£3.27m.). A pre-tax loss of £108,000 was recorded (profit £273,000).

# H. Miller midway loss but recovering

For the six months in July 31, 1976, H. Miller Investments reports a pre-tax loss of £12,107 compared with a £631 profit for the corresponding period and a deficit of £60,027 for the last full year.

# Sharp drop at Smith Wallis midway

First half to September 30, 1976 profit of Smith Wallis and Co. dropped by more than half from £140,718 to £62,555 before tax of £25,050, compared with £73,546.

# Watches group to sack 125

SMITH'S INDUSTRIES is making 125 workers at its pocket and stop watches factory at Ystradgynlais, South Wales, redundant because of falling demand.

# COUNTER-INFLATION ACT 1973

The Treasury has given consent to the declaration by the following companies of dividends of the total amounts specified for the financial years ending on the specified dates:

Company	London	Widened	30.6.76
Park Place Investments Ltd.	London W10	£30,756	30.6.76
Caravans International Ltd.	Saffron Walden	£445,788	31.3.76
International Computers (Holdings) Ltd.	London SW15	£2,699,501	30.9.76
A & J Mucklow Group Ltd.	Warley	£791,152	30.6.76
United Wire Group Ltd.	Edinburgh	£525,129	2.12.76
Medminster Ltd.	London SW15	£12,208	30.9.76
Crystallite (Holdings) Ltd.	London W1	£31,865	30.9.76
Wessex Ltd.	Darlington	£372,714	25.9.76
Wearra Group Ltd.	Wellingborough	£72,000	30.9.76
Serck Ltd.	Solihull	£1,420,405	30.9.76
Arthur Lee & Sons Ltd.	Sheffield	£643,826	30.9.76
Avon Rubber Company Ltd.	Melksham	£510,577	2.10.76
Savely Industries Ltd.	London SW1	£1,484,749	2.10.76
Moran Tea Holdings Ltd.	London EC4	£48,434	31.3.76
Redman Heenan International Ltd.	Worcester	£372,205	30.9.76
J & H Jackson Ltd.	Coventry	£290,629	30.9.76
The Linger Concrete Machinery Co Ltd.	Gatehead	£172,800	4.9.76
The North British Steel Group Ltd.	Bathgate	£127,267	25.9.76
BCC International Ltd.	London W6	£10,500,634	30.9.76
Moss Bros Ltd.	London WC2	£37,892	29.1.77

## RECENT ISSUES

### EQUITIES

Issue	Price	High	Low
F.P. 10.2	10.2	10.2	10.2
11.1	11.1	11.1	11.1
12.1	12.1	12.1	12.1

### FIXED INTEREST STOCKS

Issue	Price	High	Low
F.P. 10.2	10.2	10.2	10.2
11.1	11.1	11.1	11.1
12.1	12.1	12.1	12.1

### "RIGHTS" OFFERS

Issue	Price	High	Low
F.P. 10.2	10.2	10.2	10.2
11.1	11.1	11.1	11.1
12.1	12.1	12.1	12.1

# Another successful year for Scottish Amicable

## New Business results in the U.K.

	1974 £ millions	1975 £ millions	1976 (Unaudited) £ millions
Individual Assurances and Personal Pension Policies			
New Annual Premiums	5.6	7.1	8.5
New Sums Assured	178	255	305
Group Life and Pensions Business			
New Annual Premiums	3.4	4.00	4.5
New Sums Assured	136	108	120

## Premium Income Growth

These figures include business placed with Scottish Amicable Pensions Investment Ltd.

Total Annual Premium Revenue	31.6	43.4	55.5
------------------------------	------	------	------



## Expanding into Germany? Start at Rheinland-Pfalz, the "Crossroads Bank"



There are advantages in starting at the right place. And with the right bank.

Our location is ideal. First, Mainz is part of the expanding Rhein-Main commercial complex - at the Crossroads of the German economy. Not only is this a sizeable market in itself, it is an ideal base for further expansion.

Second, we are at the gateway to the state of Rheinland-Pfalz. In this high-potential state you will find everything you need for expansion: you'll have sufficient labour, adequate energy supplies and a strategic location with direct access to

Germany's and Europe's main transportation arteries. All that, plus a state government whose close co-operation with foreign businesses is reflected in measures which are specifically designed to benefit you and make your start easier. (They'll even pay up to 20 per cent of your investment.)

And with us as your bank you will have a reliable, well informed partner. Not only are we a highly respected, all-purpose bank (assets DM 16,000 million), we are also specialists in large, long-term loans - a practical combination for you.

Contacts will be no problem for you either.

Drop us a line. Or send us a telex. Our number is 4 187 885.

Landesbank Rheinland-Pfalz, 6500 Mainz PO Box 2969

# LANDES BANK RHEINLAND-PFALZ

W. Germany

## SIMON FORMS FRENCH COMPANY

Simon Engineering Dudley has formed a manufacturing and sales subsidiary at Cergy near Paris, to handle business in France, Belgium, Luxembourg and the French-speaking countries of North Africa.

## CROPICO

As from January 1 Croydron Precision Instrument Company will become CROPICO.

## Watches group to sack 125

SMITH'S INDUSTRIES is making 125 workers at its pocket and stop watches factory at Ystradgynlais, South Wales, redundant because of falling demand.

## BANK RETURN

Banking Department	£	£
Capital	34,000,000	6,339,394
Public Deposits	1,637,496,000	
Bankers' Deposits	307,116,141	256,722,406
Reserves & Other	375,600,823	41,478,786
Total	2,654,213,064	374,549,586



INTERNATIONAL FINANCIAL AND COMPANY NEWS

Frankfurt talks of BASF funding plans

BY GUY HAWTHIN

BASF, West Germany's second largest chemical group, appears to be planning an increase in its issued capital...

FRANKFURT, Jan. 6

close on the levels prevalent in the early 1970s. Analysts here believe that there is certainly no pressing need for a capital increase...

Balanced position for mutual funds

BY RICHARD ROLFE

THE SOUTH AFRICAN mutual fund unit trust industry, which is valued at about R255m...

JOHANNESBURG, Jan. 6

of total assets. This means that the funds as a whole are holding some R33m more in cash or approved securities...

Pirelli announcement expected

BY PAUL BETTS

INDUSTRIE PIRELLI, the Italian equivalent to Dunlop Holdings, closed at L1,522 after opening at L1,424...

to January last year. Substantial share purchases have been made by CEAT, the Turin-based tyre and cable company...

ROME, Jan. 6

reduce the burden of its debts. Although the company is expected to break even this year after accumulating £90.5m...

AMERICAN COMPANIES

Federal penalty on Sea Land Service

BY STEWART FLEMING

NEW YORK, Jan. 6

SEA LAND SERVICE, the R. J. Reynolds shipping subsidiary, has agreed to pay a civil penalty of \$4m...

ing firm responsible for the day-to-day management and control of the business of that joint venture...

Paris allows \$7m. U.S. deal

By Robert Mauthner

CAMPBELL SOUP, the U.S. food products company in Nijmegen, has been authorised by the French finance ministry...

The deal, reported to be worth some \$7m, has been in the pipeline for some months, but was temporarily blocked by the finance ministry which was trying to find a French solution...

Discussions on Tealtronic

BY MICHAEL VAN OS

AMSTERDAM, Jan. 6

A DUTCH Government minister has said, referring to the serious problems at the Tealtronic components company in Nijmegen...

the former Singer business machines Dutch offshoot, there are two government-appointed members of the Supervisory Board...

Switzerland via business transactions for which state credits were not intended. As regards Tealtronic, the trade unions said in Nijmegen...

Stores disappoint

BY OUR OWN CORRESPONDENT

FRANKFURT, Jan. 6

WEST Germany's two largest store groups have reported rather disappointing performance in 1976...

DM7.92bn. (£1.98bn.). The Karstadt department stores showed a 2.2 per cent growth rate with turnover, including value added, rising to DM6.79bn...

United Republic of Cameroon U.S. \$15,000,000

Five-year term loan

Managed by

Chase Manhattan Limited

First National Bank in Dallas

Wells Fargo Bank N.A.

and Provided by

Allied Bank International

Bank of Montreal

Banque Intercontinentale Arabe

Banque Internationale Pour l'Afrique Occidentale (BIAO)

The Chase Manhattan Bank, N.A.

Credit Chimique

Credit Suisse

Equator Bank Limited

First International Bancshares Limited

First National Bank in Dallas

The First National Bank of Boston

Wells Fargo Bank N.A.

Agent Bank

Wells Fargo Bank International

BNP bond issue increased

By Tony Hawkins

THE BANQUE NATIONALE de Paris floating rate bond issue has been increased in size from \$40m. to \$60m. in the face...

Remaining terms for the six-year note issue remain unchanged with a coupon of 4 per cent. above the six-month London interbank rate with a minimum of 5 1/2 per cent.

In the deutchmarkt sector it continued yesterday that Sanko Steamship of Japan will make a DM100m. issue next week with a final maturity of seven years.

In Swiss francs, the French Commissariat de l'Energie Atomique is to raise Sw.Frs.90m. over 15 years on a 5 1/2 per cent coupon.

Prices were firmer again in secondary market trading yesterday after Wednesday's brief bout of nerves. Seasoned bonds were from 1 to 1 1/2 points better while newer issues were up to 1 better reflecting the happier tone in the New York bond market.

Prices were firmer again in secondary market trading yesterday after Wednesday's brief bout of nerves. Seasoned bonds were from 1 to 1 1/2 points better while newer issues were up to 1 better reflecting the happier tone in the New York bond market.

Table with 2 columns: Bond type and Yield. Includes Medium Term, Long, and Convertible bonds.

Citibank, N.A. is pleased to announce the opening of a Representative Office in FINLAND

Citibank, N.A. Representative Office, Pohjoisesplanadi 25B Helsinki, Finland Telephone: 651-400 Telex: 12-1084

Robert C. Bennett, Vice-President and Finland Representative



Advertisement for Canadian Imperial Bank of Commerce 9 1/2% Debentures. Includes details on interest, maturity, and a list of participating securities dealers.

Handwritten Arabic text at the bottom of the page.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Frankfurt talks of BASF funding plans

BY GUY HAWTHIN

BASF, West Germany's second largest chemical group, appears to be planning an increase in its issued capital...

FRANKFURT, Jan. 6

close on the levels prevalent in the early 1970s. Analysts here believe that there is certainly no pressing need for a capital increase...

Balanced position for mutual funds

BY RICHARD ROLFE

THE SOUTH AFRICAN mutual fund unit trust industry, which is valued at about R255m, achieved overall stability in the quarter ended December 31...

JOHANNESBURG, Jan. 6

ment of total assets. This means that the funds as a whole are holding some R33m more in cash or approved securities than legally required...

Pirelli announcement expected

BY PAUL BETTS

INDUSTRIE PIRELLI, the Italian equivalent to Dunlop Holdings, closed at L1,522 after opening at L1,424, an increase of 5.3 per cent...

A total of 738,000 Pirelli shares were transacted yesterday representing 13.5 per cent of the day's total market dealings...

to January last year. Substantial share purchases have been made by CEAT, the Turin-based tyre and cable company...

ROME, Jan. 6

reduce the burden of its debts. Although the company is expected to break even this year after accumulating £90.5m...

AMERICAN COMPANIES

Federal penalty on Sea Land Service

BY STEWART FLEMING

NEW YORK, Jan. 6

SEA LAND SERVICE, the R. J. Reynolds shipping subsidiary, has agreed to pay a civil penalty of \$4m in settlement of charges made by the Federal Maritime Commission...

It was reported in October that a small West Coast shipping line, Pacific Far East Line, has brought an anti-trust action against Reynolds...

Singer housing disposals

MR. JOSEPH B. FLAVIN, Chairman and chief executive officer of the Singer Company, has announced that agreements have been completed to transfer substantially all of the business and real estate and related assets of the Singer Housing Company...

Proposals for Kaiser sale

KAISER INDUSTRIES CORPORATION will receive written proposals for the acquisition of its Kaiser Engineers Inc. subsidiary, according to AD-DJ in New York...

Paris allows \$7m. U.S. deal

By Robert Mauthner

CAMPBELL SOUP, the U.S. food products company in Nijmegen, that there are "strong indications" that there may have been a case of fraud involving the large sums of government money which have been injected into the company in the past two years...

The deal, reported to be worth some \$7m, has been in the pipeline for some months, but was temporarily blocked by the finance ministry which was trying to find a "French solution". At one stage, it looked as if the French group, "Falmont", was interested in purchasing Grigoire-Brossard, but it finally withdrew from the negotiations...

Discussions on Tealtronic

BY MICHAEL VAN OS

AMSTERDAM, Jan. 6

A DUTCH Government minister has said, referring to the serious problems at the Tealtronic components company in Nijmegen, that there are "strong indications" that there may have been a case of fraud involving the large sums of government money which have been injected into the company in the past two years...

the former Singer business machines Dutch offshoot, there are two government-appointed members of the Supervisory Board. The English former managing director of Tealtronic today that they and the current management, had been greatly surprised by the Economic Ministry decision to stop injecting money...

Switzerland via business transactions for which state credits were not intended. As regards Tealtronic, the trade unions said in Nijmegen today that they and the current management, had been greatly surprised by the Economic Ministry decision to stop injecting money...

Stores disappoint

BY OUR OWN CORRESPONDENT

FRANKFURT, Jan. 6

WEST Germany's two largest store groups have reported rather disappointing performance in 1976. Karstadt, Europe's largest retailing group, reported that turnover, excluding that of its travel interest, went up by only 27 per cent...

DM7.92bn. (£1.98bn.). The Karstadt department stores showed a 2.2 per cent growth rate with turnover, including travel, added, rising to DM6.79bn. Travel turnover went up by 2 per cent to DM1.65m. Kaufhof, Karstadt's leading competitor, reported a 37 per cent increase in turnover...

United Republic of Cameroon U.S. \$15,000,000

Five-year term loan Managed by Chase Manhattan Limited First National Bank in Dallas Wells Fargo Bank N.A. and Provided by Allied Bank International Bank of Montreal Banque Intercontinentale Arabe Banque Internationale Pour l'Afrique Occidentale (BIAO) The Chase Manhattan Bank, N.A. Credit Chimique Credit Suisse Equator Bank Limited First International Bancshares Limited First National Bank in Dallas The First National Bank of Boston Wells Fargo Bank N.A. Agent Bank Wells Fargo Bank International

BNP bond issue increased

By Tony Hawkins

THE BANQUE NATIONALE de Paris floating rate bond issue has been increased in size from \$40m. to \$60m. in the face. Remaining terms for the six-year note issue remain unchanged with a coupon of 4 per cent above the six-month London interbank rate with a minimum of 53 per cent. This is the second floating rate note issue to be increased in size in as many days. On Wednesday it was announced that the Bank Handlowy of Warsaw issue of five-year notes had been raised in size from \$30m. to \$35m. The Handlowy notes, priced at 97 1/2 interest at 2 per cent above Libor with a 6 1/2 per cent minimum for the first two years and 7 per cent minimum thereafter...

Citibank, N.A. is pleased to announce the opening of a Representative Office in FINLAND

Citibank, N.A. Representative Office, Pohjoisesplanadi 25B Helsinki, Finland Telephone: 651-400 Telex: 12-1084 Robert C. Bennett, Vice-President and Finland Representative



Canadian Imperial Bank of Commerce 9 1/2% Debentures \$50,000,000 Te to be dated October 15, 1976 To mature October 15, 1986. Price: 100 and accrued interest. Copies of the offering circular may be obtained from such of the undersigned and other dealers as may lawfully offer these securities for sale.

Handwritten Arabic text: سكران الاموال





GOLD MARKET

FOREIGN EXCHANGE

FORWARD RATES

ARGENTINA MAY IMPORT BEEF

LEGAL NOTICES

CREATIVES TRADING AGENCIES LIMITED

EDUCATIONAL

Tin breaks through 'ceiling'

TIN BROKE through the International Tin Agreement 'ceiling' on Wednesday night when the Straits price rose by \$35.75 to \$1,272.125 a picul.

The Tin Agreement 'ceiling' was raised only a month ago to \$1,225 a picul in a general increase in the tin price range.

Latest figures released at the Tin Council meeting showed that the buffer stock held only 1,883 tonnes on September 30, 1976.

The present Tin Council meeting in London, however, is expected to take little action apart from possibly restoring to the buffer stock the right to deal at discretion which was cancelled at the last meeting.

LEGAL NOTICES

LEGAL NOTICES

LEGAL NOTICES

LEGAL NOTICES

U.K. cheese imports call for anger

BRITAIN'S DAIRY industry hit out strongly yesterday at suggestions by New Zealand producers that the U.K. should continue to import NZ cheddar cheese after 1977.

Under arrangements made for Britain's accession to the EEC the New Zealand cheese exports to the U.K. are being phased out, dropping from 30,000 tonnes last year to 15,000 tonnes this year.

No arrangements for further imports have been made from the end of this year which marks the end of Britain's transitional membership period.

Mr. John Owens, director general of the Dairy Trade Federation which represents all sections of the cheese and dairy processing and distribution industry in England and Wales.

Bacon will be cheaper next week

BACON PRICES should be pushed up by 7p to 10p in the shops next week following a cut in first hand prices yesterday.

The slack demand that is often a feature of the post-Christmas trade brought the EEC cut in the Danish AJ bacon price to 2865 a tonne.

Traders expect retail prices to be cut by 5p to 7p a lb on gammon, and by 1p to 2p a lb on most other cuts although streaky rashers are not likely to be reduced.

Yesterday's cuts were the first major reductions in prices for over six months although from time to time hedges from other countries has been offered at a discount.

Lower grain crops forecast

U.S. soil moisture reserves are the lowest in decades in both the corn belt and much of the wheat belt and the area also extends into Canada.

Indian crop prospects also appear less promising than last year especially for wheat, while recent wheat harvests in Argentina and Brazil have been quite as large as estimated a few weeks ago.

Mr. Bell said the build-up in world coarse grain stocks will be modest in 1976-77 and world stocks of rice will fall by at least 10 per cent.

U.S. soyabean stocks will be down to a level next autumn, but the account for about 75 per cent of the entire world trade in soyabean, despite the recent increase in Brazil's output.

EEC farm fund grants

GRANTS TOTALLING about £25m are being awarded to agricultural and fisheries structural improvements projects in the U.K. in the latest allocations from the guidance section of the EEC's common farm fund.

They range from grants for new fishing vessels in Aberdeen to aid for modernisation of creameries and abattoirs in England, Scotland and Wales.

However, as usual, Italy is the biggest beneficiary of the share-out of EEC farm funds, with grants totalling £4.2m.

He told a Parliamentary committee about 15m tonnes was stored under polythene cover on masonry plinths.

EEC FARM POLICY Ability to change is sign of strength

SIR HENRY PLUMB, National Farmers' Union president, said this arrangement is incompatible with the CAP because its guarantee depends on the retail market for liquid milk, and not on that for butter and skim milk powder as in the rest of the EEC.

The obvious target for their remarks is Mr. John Silkin who, as British Minister of Agriculture, will be taking the chair at EEC council meetings for the next six months.

Since taking office he has taken a hard line on Green Deal devaluation and has expressed himself strongly on the need for change in other aspects of Community arrangements for farming.

Both Sir Henry and Mr. Lardinois are talking nonsense. The fact that the Community is being in a state of flux is a sign of its inherent strength.

Choice

Besides his stance on the 'green £' issue Mr. Silkin has supported the equivalent of a freeze on European farm prices until a further build-up of surpluses, and the consequent European's unviability farmers should be a national and out a Community responsibility.

He supports the retention of the British Milk Marketing Boards and has also expressed concern over an expansion of British farming where it could be economically justified.

The only point of agreement between British farmers and Mr. Silkin concerns the Milk Boards. The Commission in Brussels has proposed that the five U.K. Milk Marketing Boards must close their monopoly powers.

The retail price is set by the Government, which has been unwilling to reduce the milk price contribution to the cost of the farm policy.

Unviable

Farmers and the dairy trade fear that if supermarkets or other agencies could buy milk from individual farmers, or from probably undercut household deliveries, as they have in Europe, and so destroy a system which has endured for many years.

They fear that if the milk is sold to a few large powers liquid sales, which absorb 50 per cent of output, would fall substantially.

The Commission's line is that there would be nothing to prevent farmers carrying the burden of co-operatives and continuing to support them.

However, the member countries refused to consider the Mansholt plan which advocated the removal of farmers and land from production opting instead for ever higher prices, which would simply aggravated the surplus.

Direct rubber purchase talks planned

KUALA LUMPUR, Jan. 6. UNIROYAL MALAYSIAN Plantations said its U.S. parent, Uniroyal Inc., will hold talks with the Malaysian Rubber Development Corporation (Mardac) to discuss the possibility of increasing direct purchases of Malaysian rubber, reports Reuter.

Mr. Philip Zed, UMP general manager, said a four-man team from Uniroyal will visit Malaysia later this month to discuss direct purchasing with Mardac and with UMP.

On the New York Rubber Market meanwhile interest centred on the meeting in Washington of U.S. Government officials and representatives of the Rubber Manufacturers Association.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS
COPPER-Liverpool... 288.5-290.0
ZINC-Liverpool... 175.0-176.5
LEAD-Liverpool... 175.0-176.5

TIN
LONDON... 1,272.125
SIAM... 1,272.125
MALAY... 1,272.125

SOYABEAN MEAL
LONDON... 118.00
NEW YORK... 118.00
CHICAGO... 118.00

MEAT/VEGETABLES
BEEF... 1.10
PORK... 1.10
LAMB... 1.10

U.S. Markets
COPPER... 1.10
SILVER... 1.10
GRAIN... 1.10

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

LEGAL NOTICES
No. 00219 of 1976
In the High Court of Justice...

FINANCIAL TIMES
Jan 3 Jan 4 Jan 5 Jan 6 Jan 7
249.46 250.28 248.64 246.44 246.44

STOCK EXCHANGE REPORT

Widespread gains with Gilts again leading the way Index up 5.1 at 367.8, after 372.6—Golds ease afresh

Account Dealing Dates

Option
\*First Declared Last Account
Dealings (ions Dealings Day
Dec. 13 Dec. 30 Dec. 31 Jan. 12
Jan. 4 Jan. 12 Jan. 14 Jan. 23
Jan. 17 Jan. 27 Jan. 28 Feb. 5
+ New time "dealings may take place
from 1.30 a.m. two business days earlier.

A further advance in British
Funds set the seal for another
good overall performance in stock
markets yesterday. Activity in the
equity sector was broad-based and
crab, with secondary issues well
to the fore in the day's advance.
The Funds continued to draw
strength from expectations of a
2 per cent. reduction in Minimum
Lending Rate to-day and were fur-
ther encouraged by the slowdown
in the growth of bank lending.
Trading was again lively and fresh
gains ranged to 1/2 to the shorts
and to 1 in the mediums and
longs. The Government Securities
index rose 0.21 more to 60.88, ex-
tending its rise to 1.13 over the
last six trading days.

After a slow start, leading
equities moved ahead smartly on
some good buying and by noon
the FT 30-share index was show-
ing a rise of 0.2. Thereafter, a
good two-way trade was seen with
selling being easily absorbed.
However, a broad-based recovery
of nervousness developed in the late
dealings ahead of GEC's proposed
capital reorganisation which
prompted dealers to mark prices
lower and the index ended 5.1 up
on balance at 367.8.

The good performance by
secondary issues was well
illustrated by the 74 majority of
rise over falls in FT-noted In-
dustrials. The FT-Actuaries All-
Share Index rose 1.5 per cent. to
158.67. A further increase in
activity was greeted in official
Markings compared with
5,178 on Wednesday.

Yield opportunities continued to
attract a large investment
demand in British Funds yesterday
and the Government broker
again forced to raise his
selling price for supplies of the
long tap. Treasury 15 1/2 per cent.
1996, A, stock, he withdrew at 9 1/2
leaving the market to assume his

next level would be 9 1/2. Un-
hindered by the presence of
last issue, the mediums recorded
the largest gains which extended
to 1/2, while those in the long
were a maximum of 1/2. Short-
dated issues had another good
day although the signal from the
Bank of England which should
restrict to-day's fall in Minimum
Lending Rate to 3 1/2 caused quota-
tions to ease from the best. Sup-
porting background influences
otherwise remained unaltered;
the stability in sterling, a short-
age of stock in some areas and
confirmation that the growth in
money supply had been checked
all contributing to the firmness.
Imminent news of a new short
tap issue was widely expected.

Reflecting the thinness of the
market, a modest demand on
arbitrage account had a marked effect
on the investment currencies pre-
mium which rose 3/4 points to
122 1/2 per cent. Yesterday's SE
conversion factor was 0.6879
(0.6894).

Banks below best
Home Banks ended below
the best with Barclays closing 6 up
at 260 1/2, the London and
3 dearer at 218 1/2, after 224 1/2. Bank
of Scotland rose 7 to 240 1/2. Over-
seas issues were firm with
Standard Chartered prominent
improvement at 300 1/2, up 13.
Discounts took their cue from
the gilt. Anglo and HSBC rose
added 20 to 370 1/2, Cater, Ryder 10
to 245 1/2 and Union 7 1/2 to 215 1/2.
Merchant Banks to rise included
Hambros, 2 higher at 153 1/2.

Insurance moved higher with
the general trend. Sun Alliance
put on 15 to 400 1/2 and Phoenix
8 to 195 1/2, with Commercial Union
to 245 1/2. Life issues contin-
ued with fresh gains to 1 1/2.
Breweries and kindred tradings
closed below the heat following
a busy session. Allied's pre-
liminary profits were in line with
market expectations. BIC's shares
touching 6 1/2, the shares eased
to finish a net penny off at 64 1/2.
Bass Charrington added 2 to 95 1/2,
after 90 1/2, as did Scottish and
Newcastle, 10 3/4 to 215 1/2. Distillers
hardened 2 to 126 1/2.

Ind. leaders better
Buoyed by the firm per-
formance of gilt-edged the Mis-
cellaneous industrial leaders pushed

forward in active trading and on
some good buying. Prices, how-
ever, tended to wilt in the late
inter-office dealings and closing
levels were up to 6 below the
Newall capital to 138 1/2, after
140 1/2. Rank Organisation added
12 to 132 1/2 and Rank and Colman
to 94 1/2, after 100 1/2, and OI
to 100 1/2, after 105 1/2. Siebens
hand, ended unaltered at 38 1/2,
and Boots lost 3 to 32 1/2, after
12 1/2, after 12 1/2. Secondary
issues continued to perform well
in busier trading conditions. Sea
oil speculation continued to
spur IC G which rose 10 to
37 1/2 and investment recommenda-
tions brought improvements of
3 and 12 respectively in National
Carbonding, 40p, and De La Rue,
25p. Still on the bid for Royal
Kode International firmed 2 more
to 59p, after 61p, and further
buying caused next Thursday's
preliminary results left English
China Clays 1 1/2 better at 78p. The
good nine-month profits helped
Morgan Crucible gain 4 to 91p.
While rises of around 6 were
recorded in A 190p, Canam
Industries, 11 1/2, Fosco Minise,
160p, International Computers,
100p, and MK Refrigeration, 85p.
Historians and Distributors closed
with the occasional firm spot
Lenses Industries added 4 better
at 21 1/2, after 21 1/2. Zenith
Carbonretter A, 63p, and Jones
Woodhead, 102p, put on 5 and 6
respectively in thin markets.
Henslys, a firm market of late,
reacted 4 to 85p on light profit-
taking.

A strong revival in DRG, which
has recently been neglected, re-
sulted in a rise of 1 1/2 to 138 1/2,
after 137 1/2, from subsequent
stock surges and the price rose
to 99p before closing a net 2
higher at 96p. Other Paper/
Printings in demand included
British Printing, 3 1/2 to 135 1/2,
and 2 to 33 1/2. J. and J. Makin
moved higher with Beaverbrook
papers came 5 to 13 1/2, after
5 better at 21 1/2 and Pearson Lon-
don 3 firmer at 100p. North Sea-
orientated issues, however, were
reactionary and Associated News-
papers fell 5 to 13 1/2, after
while Thomson slipped 3 to 380p.

Oil prices were erratic. Shell
Wall Street influences caused
an opening reversal in British
Petroleum, but the price rallied
from 820p on local demand to
close at 826 1/2. Shell, meanwhile, responded to a
fall in the higher-priced
issues ranged to 1/2 as in St.
Helena, 1 1/2 to 115 1/2, after
115 1/2, after 115 1/2. Unisul, 12 1/2,
and Unisul, 12 1/2, generally gave up
around 5.

Textiles were featured by Car-
pet International which met with
a fall of 1 1/2 to 115 1/2, after
to the good of 56p. Courtauld's
could only finish a penny dearer

at 94p, after 95p, while Foughal
Carpeted added 3 more at 71p.
Imps firmed 2 to 65p in
Tobacco's hit BAT's Industries,
280p, and the Defted, 240p,
not closed at their overnight
levels after touching 285p and
245p respectively.

Gold Fields Properties featured
south African Industrials with a
jump of 10 to 55p on small buying
in a thin market.

A Press suggestion that
Harrison and Crossfield plan to
purchase three of its "sister" planta-
tion companies and transfer their
domicile to the Far East could
have attracted more interest to the
stocks involved. Golden Eagle
touched 80p before closing 2 net
down at 83p, while Patallang
was that much dearer at 54p,
after 50p London traded closed
unaffected at 45p after 57p. Teas
met with a higher interest than
of late; McLeod Russel were not-
able for a gain of 6 to 134p.

The London-registered Financials
provided two features in
Selection Trust and Charter. The
former closed 10 higher on
balance at 47 1/2, after 45 1/2, on
consideration of the likely
mining proposition at Teutonic
Bore in Western Australia, while
Charter rose 8 more to 134p, after
135p following further considerable
buying.

The overseas-based Financials
were mixed in subdued trading.
Anglo American gave up 5 to
225p but Middle Wits put on a
similar amount to 200p.

Minore were outstanding in
Coppers with a jump of 2 1/2 to
16 1/2 in afternoon dealings fol-
lowing a large U.S. order. ZCI
hardened 1/2 to 21 1/2. Platinum
were lower where changed,
Rustenburg being 3 net at 90p.
Tins generally firmed 2 net
pepper reflecting the recent
strength of the metal price here.
St. Piran was 2 up at a 197p-6
high of 72p.

The continuing firmness of
home markets and the high
investment premium enabled
Australians to move ahead
although business remained
quiet. M.M. Holdings, Selection
Trust's partner in the Teutonic
Bore project, added 2 to 23p.

Elsewhere, Tanganyika Con-
cessions gained 5 to 160p following
local interest while Charterhall
Finance rose 1 1/2 to 20 1/2.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Table with columns: EQUITY GROUPS, Thursday, January 6, 1977, Index No., Day's Change, etc. Includes sub-sections like CAPITAL GOODS, BUILDING MATERIALS, CONTRACTING, etc.

FIXED INTEREST

Table with columns: 3-months 2 1/2% yield, 20-yr. Govt. Stocks, etc. Includes sub-sections like Govt. Stocks, Investment Trusts, etc.

ACTIVE STOCKS

Table with columns: Stock, Denomina., Closing, Change, etc. Lists various stocks like ICI, BAT's Deft., Barclays Bank, etc.

OPTION REPORT—3-month Call rates

Table with columns: First, Last, Declared, etc. Lists option rates for various stocks and companies.

MONEY MARKET

Signal on interest rates

Bank of England Minimum
Lending Rate fell 1/2 cent,
to 3 1/2 per cent, (since December 24, 1976).

NEW HIGHS AND LOWS FOR 1976/77

Table with columns: Stock, Denomina., Closing, etc. Lists new highs and lows for various stocks.

BASE LENDING RATES

Table with columns: Bank Name, Rate. Lists base lending rates for various banks like A.B.N. Bank, Allied Irish Bank, etc.

CORAL INDEX

Table with columns: Index Name, Value. Lists Coral Index values for various categories.

INSURANCE RATES

Table with columns: Insurance Type, Rate. Lists insurance rates for various types like Property Growth, Gacon Insurance, etc.





AUTHORISED UNIT TRUSTS

STOCK INDICES

Table of stock indices including FTSE 100, FTSE 250, and various sector indices.

Table of unit trusts under 'S.E. ACTIVE' category, listing names and performance metrics.

Table of unit trusts under 'S.E. PASSIVE' category, listing names and performance metrics.

Table of unit trusts under 'S.E. BALANCED' category, listing names and performance metrics.

Table of unit trusts under 'S.E. GROWTH' category, listing names and performance metrics.

Table of unit trusts under 'S.E. INCOME' category, listing names and performance metrics.

Table of unit trusts under 'S.E. SPECIAL' category, listing names and performance metrics.

Table of unit trusts under 'S.E. OTHER' category, listing names and performance metrics.

Table of unit trusts under 'S.E. INTERNATIONAL' category, listing names and performance metrics.

Table of unit trusts under 'S.E. SPECIALIST' category, listing names and performance metrics.

REGIONAL MARKETS

Table of regional market data for various countries and regions.

FOOD PRICE MOVEMENTS

Table showing price movements for various food items like bacon, butter, cheese, etc.

TENDERS & CONTRACTS

Textual information regarding tenders and contracts, including dates and locations.

INSURANCE

Table of insurance rates for various policies and companies.

PROPERTY

Table of property market data, including prices and trends.

BONDS

Table of bond market data, including yields and prices.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas fund data, listing various international funds.

ART GALLERIES

Textual information about art galleries, exhibitions, and artists.

NOTES

Textual notes and financial commentary.

INSURANCE RATES

Table of insurance rates for various policies and companies.

Large advertisement for 'TENDERS & CONTRACTS' journal, detailing its content and subscription information.



Handwritten scribble at the top center of the page.

The Financial Times Friday January 7, 1977

INDUSTRIALS—Continued

Table of industrial stocks including companies like British Petroleum, ICI, and Unilever, with columns for stock price, dividends, and other financial metrics.

INSURANCE

Table of insurance companies such as British Overseas Insurance, Commercial Union Assurance, and others.

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Table of motor and cycle companies including BSA, Norton, and Triumph.

Commercial Vehicles

Table of commercial vehicle companies like Leyland Trucks and Bedford.

Components

Table of automotive component manufacturers such as Lucas and Lucas Industries.

Garages and Distributors

Table of garage and distributor companies like British Motor and Rover.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publishing companies including News International and Newsprint.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising companies like Newsprint and Newsprint.

PROPERTY

Table of property companies such as British Land, Landsec, and others.

PROPERTY—Continued

Continuation of property companies table.

SHIPBUILDERS, REPAIRERS

Table of shipbuilding and repair companies like Harland & Wolff.

SHIPPING

Table of shipping companies including P&O, Cunard, and others.

SHOES AND LEATHER

Table of shoe and leather companies like Clarks and others.

SOUTH AFRICANS

Table of South African companies such as Anglo American and Anglovaal.

TEXTILES

Table of textile companies like Courtauld and others.

TRUSTS, FINANCE, LAND

Investment Trusts

Table of investment trusts including British Venture and others.

TOBACCO

Table of tobacco companies like British American Tobacco.

TRUSTS, FINANCE, LAND

Investment Trusts

Continuation of investment trusts table.

TRUSTS—Continued

Continuation of trusts table.

FINANCE, LAND, ETC.

Finance, Land, etc.

Table of finance and land companies like British Venture and others.

OILS

Table of oil companies including Shell and BP.

OVERSEAS TRADERS

Table of overseas trading companies like Anglo Siam and others.

RUBBERS AND SISALS

Table of rubber and sisal companies like Guthrie & Co.

TEAS

Table of tea companies including Anglo Siam and others.

INDIA AND BANGLADESH

Table of Indian and Bangladeshi companies.

SRI LANKA

Table of Sri Lankan companies.

AFRICA

Table of African companies.

MINES

Table of mining companies like Anglovaal and others.

CENTRAL RAND

Table of Central Rand companies.

EASTERN RAND

Table of Eastern Rand companies.

TRUSTS—Continued

Continuation of trusts table.

FINANCE, LAND, ETC.

Finance, Land, etc.

Table of finance and land companies.

OILS

Table of oil companies.

OVERSEAS TRADERS

Table of overseas trading companies.

RUBBERS AND SISALS

Table of rubber and sisal companies.

TEAS

Table of tea companies.

INDIA AND BANGLADESH

Table of Indian and Bangladeshi companies.

SRI LANKA

Table of Sri Lankan companies.

AFRICA

Table of African companies.

MINES

Table of mining companies.

CENTRAL RAND

Table of Central Rand companies.

EASTERN RAND

Table of Eastern Rand companies.

NOMURA The Nomura Securities Co., Ltd. advertisement with contact information for London and Tokyo offices.

MINES—Continued

Table of mining companies.

FAR WEST RAND

Table of Far West Rand companies.

O.F.S.

Table of O.F.S. companies.

FINANCE

Table of finance companies.

DIAMOND AND JEWELLERY

Table of diamond and jewelry companies.

CENTRAL AFRICAN

Table of Central African companies.

AUSTRALIAN

Table of Australian companies.

TINS

Table of tin companies.

COPPER

Table of copper companies.

MISCELLANEOUS

Table of miscellaneous companies.

NOTES

Notes section containing various financial notices and announcements.

TEAS

Table of tea companies.

INDIA AND BANGLADESH

Table of Indian and Bangladeshi companies.

SRI LANKA

Table of Sri Lankan companies.

AFRICA

Table of African companies.

MINES

Table of mining companies.

CENTRAL RAND

Table of Central Rand companies.

EASTERN RAND

Table of Eastern Rand companies.

Drink the clean drink

BELL SCOTCH WHISKY

FINANCIAL TIMES

Friday January 7 1977

Keep things rolling

Bank takes steps to slow expected lending rate fall

BY MICHAEL BLANDEN
THE DOWNWARD trend in interest rates is likely to be resumed today with a further 1 per cent fall in the Bank of England's minimum lending rate.

Cautious
The effective depreciation from December 1971 levels widened slightly from 43.9 per cent to 44 per cent.

Bread price settling at compromise 18p

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT
BOTH Mr. Roy Hattersley, Secretary for Prices and Consumer Protection, and the leaders of the bread delivery drivers' union seem to have won a limited victory over the question of bread prices.

Continued from Page 1
GEC £178m. move
needs for investment outside the U.K.

Although the reconstruction has not required the approval of the Treasury, it is believed that the authorities are happy with it. The scheme is expected to be particularly welcome to pension funds and other institutions requiring high income.

Weather
U.K. TO-DAY
MAINLY DRY. Cloudy. England (except S.W.) Dry, sunny intervals. Wind N.W. light. Max 6C (43F).

Table with columns for Business Centres, Holiday Resorts, and Snow Reports. Includes locations like Amsterdam, Athens, Barcelona, etc.



Mr. Roy Jenkins yesterday launched his new career as President of the EEC Commission with a pledge to continue working towards the construction of a European union.

Callaghan and Schmidt to meet at Chequers

BY NICHOLAS COLCHESTER
HERR HELMUT SCHMIDT, West German Chancellor, will visit London on January 23 and 24 for talks with Mr. James Callaghan, at Chequers.

Mozambique's Machel pledges help towards Rhodesia peace

BY BRIDGET BLOOM, AFRICA CORRESPONDENT
PRESIDENT Samora Machel of Mozambique, who has been hailed as the harbinger of peace in Rhodesia, yesterday pledged that the British chairmen of the Rhodesia conference.

Meriden plea for aid refused

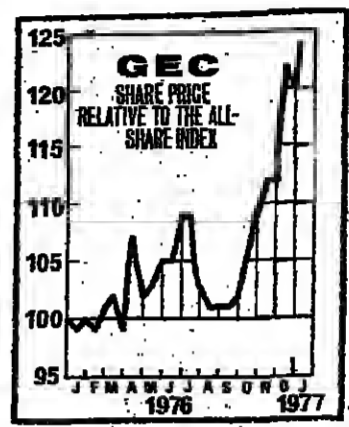
Government is prepared to make its Government to justify a further £1m. Meriden forecast a small profit by March 1978 after allowing for promotional programmes and employing specialist staff.

THE LEX COLUMN

GEC financing breakthrough

The rally in equities continues to spread and the FT 30-Share Index has now risen by over 100 points from last year's October low. Ahead of today's expected quarter point cut in MLR, the Government Broker was again operating the long tap (roughly half has gone).

Index rose 5.1 to 367.8



Moreover although the scheme has not required formal Treasury approval, it is inconceivable that it could have gone ahead without an unofficial nod from the authorities (GKN plans for an indexed bond a couple of years ago got an unofficial thumbs down).

Of course the market has had plenty of time to anticipate the scheme and the shares have been sharply re-rated since the autumn. At 180p, they carry rights to an aggregate prospective yield of 5.2 per cent, while the prospective p/e—allowing for the cost of servicing the notes—is around eight.

Now for the technicalities. As expected, the scheme hinges on the existence of a large share premium account (£257m), which arose as a result of the AEI and English Electric acquisitions in 1967 and 1968.

Advertisement for Hayes industrial diamond. Features: New factories and warehouses, 12,000-110,000 sq. ft., initial rents from £1.24 per sq. ft., Fairview Builders to Industry.